United Nations A/C.5/63/SR.39

General Assembly
Sixty-third session

Official Records

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Fifth Committee

Summary record of the 39th meeting
Held at Headquarters, New York, on Friday, 27 March 2009, at 10.20 p.m.

Chairman: Mr. Bródi ..... (Hungary)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Ms. McLurg

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09-28257 (E)

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Agenda item 117: Review of the efficiency of the administrative and financial functioning of the United Nations (*continued*)

Questions deferred for future consideration

Closure of the work of the Fifth Committee during the first part of the resumed sixty-third session of the General Assembly

The meeting was called to order at 10.20 p.m.

Agenda item 117: Review of the efficiency of the administrative and financial functioning of the United Nations (*continued*)

Accountability framework, enterprise risk management and internal control framework, and results-based management framework (A/C.5/63/L.39)

Draft resolution A/C.5/63/L.39: Accountability framework, enterprise risk management and internal control framework, and results-based management framework

1. *Draft resolution A/C.5/63/L.39 was adopted.*

Agenda item 118: Programme budget for the biennium 2008-2009 (*continued*)

Special subjects relating to the programme budget for the biennium 2008-2009 (A/C.5/63/L.32)

Draft resolution A/C.5/63/L.32: Special subjects relating to the programme budget for the biennium 2008-2009

2. *Draft resolution A/C.5/63/L.32 was adopted.*

Information and communications technology, disaster recovery and business continuity for the United Nations: arrangements for the secondary data centre at Headquarters (A/C.5/63/L.33)

Draft resolution A/C.5/63/L.33: Information and communications technology, disaster recovery and business continuity for the United Nations: arrangements for the secondary data centre at Headquarters

3. *Draft resolution A/C.5/63/L.33 was adopted.*

Capital master plan (A/C.5/63/L.34)

Draft resolution A/C.5/63/L.34: Capital master plan

4. *Draft resolution A/C.5/63/L.34 was adopted.*

Agenda item 123: Human resources management (*continued*)

Draft resolution A/C.5/63/L.35: Amendments to the Staff Regulations

5. *Draft resolution A/C.5/63/L.35 was adopted.*

Agenda item 124: Joint Inspection Unit (*continued*) (A/C.5/63/L.36)

Draft resolution A/C.5/63/L.36: Report of the Joint Inspection Unit for 2008 and programme of work for 2009

6. *Draft resolution A/C.5/63/L.36 was adopted.*

Agenda item 139: Financing of the United Nations Mission in Ethiopia and Eritrea (*continued*) (A/C.5/63/L.31)

Draft decision A/C.5/63/L.31: Financing of the United Nations Mission in Ethiopia and Eritrea

7. *Draft decision A/C.5/63/L.31 was adopted.*

Agenda item 146: Financing of the United Nations Mission in the Sudan (*continued*) (A/C.5/63/L.37)

Draft resolution A/C.5/63/L.37: Financing of the United Nations Mission in the Sudan

8. *Draft resolution A/C.5/63/L.37 was adopted.*

Agenda item 149: Financing of the United Nations Mission in the Central African Republic and Chad (*continued*) (A/C.5/63/L.40)

Draft resolution A/C.5/63/L.40: Financing of the United Nations Mission in the Central African Republic and Chad

9. *Draft resolution A/C.5/63/L.40 was adopted.*

Agenda item 157: Financing of activities arising from Security Council resolution 1863 (2009) (*continued*) (A/C.5/63/L.38)

Draft resolution A/C.5/63/L.38: Financing of activities arising from Security Council resolution 1863 (2009)

10. *Draft resolution A/C.5/63/L.38 was adopted.*

11. **Ms. Vendat** (Director, Peacekeeping Financing Division) said that the authorization granted to the Secretary-General to enter into commitments not exceeding $77,790,900 would be sufficient to meet requirements for the provision of support to the African Union Mission in Somalia, as requested by the Security Council in its resolution 1863 (2009).

Agenda item 117: Review of the efficiency of the administrative and financial functioning of the United Nations (*continued*)

Questions deferred for future consideration (A/C.5/63/L.41)

Draft decision A/C.5/63/L.41: Questions deferred for future consideration

12. *Draft decision A/C.5/63/L.41 was adopted.*

Closure of the work of the Fifth Committee during the first part of the resumed sixty-third session of the General Assembly

13. **Ms. Krahulcová** (Czech Republic), speaking on behalf of the European Union, the candidate countries Croatia and the former Yugoslav Republic of Macedonia; the stabilization and association process countries Albania and Montenegro; and, in addition, Armenia and Ukraine, said that, while the Committee had been able to reach agreement on a number of important matters at the first part of the resumed session, it had had difficulty devoting equal attention to all of them and had been forced to postpone its consideration of some because the relevant documentation had not been issued on time and in all the official languages. The European Union particularly regretted that there had been no time for discussion of safety and security, of the report of the Independent Audit Advisory Committee on vacant posts in the Office of Internal Oversight Services and of the scale of assessments.

14. She recalled that the Chairman had very recently informed the Committee of his receipt of a letter dated 25 March 2009 from the President of the General Assembly transmitting a letter dated 5 March 2009 from the President of the Human Rights Council. The letter described the critical financial situation of that body and the consequent threat to the progress of the Universal Periodic Review. The European Union wished to know the reason for the delay in the transmission of that information. It remained committed to providing funds to enable the Human Rights Council to implement its mandate properly and believed that it was the responsibility of the Secretary-General to respond adequately to the needs expressed in the letter.

15. **Mr. Abdelmannan** (Sudan), speaking on behalf of the Group of 77 and China, said that the Group wished to reiterate that the Secretary-General and the Secretariat should manage the financial affairs of the Organization in a manner fully consistent with its financial rules and regulations.

16. With regard to the letter to the Chairman from the President of the General Assembly, the Group's understanding was that the Chairman intended to consult the Bureau and delegations, as the Committee had not yet given the Secretary-General authorization to make any appropriations consequent on the content of the letter.

17. **Mr. Gürber** (Switzerland) said that his delegation had been surprised and concerned to learn that it had taken 20 days to transmit to the Chairman of the Fifth Committee the letter which the President of the General Assembly had received from the President of the Human Rights Council. His delegation requested the Chairman, when he replied to the President of the General Assembly, to communicate that view and to request an explanation for the delay.

18. His delegation also wished the Chairman to convey its belief that the Secretary-General was responsible for ensuring adequate support for activities mandated by the General Assembly. The Universal Periodic Review fell into that category, having been instituted by a resolution of the Human Rights Council subsequently endorsed by the General Assembly. Accordingly, and in view of the need for the Division of Conference Management at the United Nations Office at Geneva to be provided rapidly with additional funding, his delegation would closely monitor the pattern of expenditure under Section 2, General Assembly and Economic and Social Council affairs and conference management, of the regular budget.

19. It would also be appropriate for the Chairman's reply to the President of the General Assembly to emphasize that the next session of the Universal Periodic Review was expected to take place as early as May 2009. In order to strengthen the Member States' confidence in the Secretariat's internal financial management in that regard, his delegation suggested that the Secretary-General should inform the Fifth Committee, at the second part of the current resumed session, of the steps taken to remedy the situation and ensure that the sessions of the Universal Periodic Review planned for 2009 could take place as scheduled. In addition, his delegation expected the proposed programme budget for 2010-2011 to contain

all the resources required by the Human Rights Council and its working groups to fulfil their mandates fully during that biennium.

20. **The Chairman** said that he would consult all delegations and groups of delegations before replying to the letter of the President of the General Assembly, as he wished to convey a message which enjoyed the full support of the Committee.

21. **Mr. Rosales Diaz** (Nicaragua) said that his delegation endorsed the approach proposed by the Chairman. However, it was surprised at the inferences made by the representative of Switzerland and wished to refute them, as the President of the General Assembly was known to attach great importance to the work of the Human Rights Council.

22. **Mr. Cumberbatch** (Cuba) said that his delegation wished to echo the views expressed by the representative of Nicaragua regarding the support of the President of the General Assembly for the work of the Human Rights Council. Cuba held the Council in high regard and had itself been included in the Universal Periodic Review process. However, as it was opposed to any attack on the office of the President of the General Assembly, his delegation did not wish the Fifth Committee to send any message that adopted such a tone; it should instead reach agreement on its response, as the Chairman had suggested.

23. **The Chairman** informed the Committee of the Bureau's decision to propose that the issue of safety and security should be discussed at the very beginning of the second part of the resumed sixty-third session in May 2009. In addition, in recent consultations with the Chairman of the Advisory Committee regarding the availability of documentation for the second part of the resumed session, the Bureau had learned that the Advisory Committee's existing workload, the volume of the expected reports of the Secretary-General and the timing of their submission precluded the timely provision of Advisory Committee reports. As the Committee therefore risked being unable to complete its work within the dates established, the Bureau proposed to approach the President of the General Assembly with a view to finding a framework for completing the Committee's business as scheduled.

24. He declared the work of the Fifth Committee at the first part of the resumed sixty-third session of the General Assembly closed.

The meeting rose at 11 p.m.

United Nations A/C.5/63/SR.40

General Assembly
Sixty-third session

Official Records

Distr.: General
29 May 2009

Original: English

Fifth Committee

Summary record of the 40th meeting
Held at Headquarters, New York, on Monday, 6 April 2009, at 10 a.m.

Chairman: Mr. Bródi (Chairman) ..... (Hungary)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Ms. McLurg

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Agenda item 118: Programme budget for the biennium 2008-2009 (*continued*)

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09-29195 (E)

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The meeting was called to order at 10.05 a.m.

Agenda item 118: Programme budget for the biennium 2008-2009 (*continued*)

Programme budget implications of draft resolution A/63/L.66: Organization of the United Nations conference at the highest level on the world financial and economic crisis and its impact on development (A/C.5/63/22)

1. **Ms. Van Buerle** (Director, Programme Planning and Budget Division), introducing the statement of programme budget implications of draft resolution A/63/L.66 on the organization of the United Nations conference at the highest level on the world financial crisis and its impact on development (A/C.5/63/22), recalled that draft resolution A/63/L.66 was a follow-up to General Assembly resolution 63/239, in which the Assembly had endorsed the Doha Declaration on Financing for Development: outcome document of the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus. Draft resolution A/63/L.66 would define the modalities of the conference called for in the Doha Declaration and would constitute an addition to the revised calendar of meetings and conferences for 2009. The estimated resource requirements related to conference servicing for a three-day conference, public information services, and security services. The additional requirements pertaining to meeting services and verbatim records would be accommodated through the existing resources allocated for the General Assembly under section 2 of the programme budget for the biennium 2008-2009, on the understanding that the Assembly itself would not be using those resources on those days. The additional resource requirements of $867,700 arising from the adoption of draft resolution A/63/L.66 would represent a charge against the contingency fund and, as such, would require an additional appropriation for the biennium 2008-2009. As noted in section XIII of General Assembly resolution 63/263, a balance of $5,122,000 remained in the contingency fund.

2. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), giving the Advisory Committee's oral report on the statement of programme budget implications of draft resolution A/63/L.66, said that under paragraph 1 of the draft resolution the General Assembly would decide that the conference, consisting of seven plenary meetings and four parallel interactive round tables, should be convened at United Nations Headquarters from 1 to 3 June 2009. According to the Secretary-General's statement of programme budget implications (A/C.5/63/22), the additional resource requirements included $817,000 for conference servicing under sections 2 and 28D of the programme budget for the biennium 2008-2009, $136,200 for public information under section 27 and $211,300 for safety and security under section 33. The services for the plenary meetings, including the opening meeting, would be provided from the resources already allocated for the General Assembly, allowing the absorption of conference-servicing costs in an amount of $296,800.

3. The Advisory Committee therefore recommended that the Fifth Committee should inform the General Assembly that, should it adopt draft resolution A/63/L.66, additional resources in the total amount of up to $867,700 would be required under the programme budget for the biennium 2008-2009, comprising $481,600 under section 2, $136,200 under section 27, $38,600 under section 28D and $211,300 under section 33. Such additional appropriation as might be necessary would be considered by the General Assembly in accordance with the procedures for the use and operation of the contingency fund set out in its resolutions 41/213 and 42/211.

4. **Mr. Abdelmannan** (Sudan), speaking on behalf of the Group of 77 and China, expressed the Group's appreciation for the sense of urgency and efficiency displayed by the Secretariat and the Advisory Committee. Concerted action by the entire United Nations membership was urgently needed to tackle the unfolding world financial and economic crisis, the most challenging ever encountered; the Organization was the only universal body providing a democratic forum for such action. The central role of the General Assembly in addressing the crisis had been reaffirmed by Heads of State and Government in the Doha Declaration, which called for the President of the General Assembly to organize a United Nations conference at the highest level on the crisis and its impact on development. The Group, emphasizing the vital importance of that conference, fully endorsed both the Secretary-General's statement of the programme budget implications of draft resolution A/63/L.66 and the Advisory Committee's related oral report. The Committee should complete its consideration of the matter expeditiously so that the

draft resolution, which had been subject to protracted negotiations, could be adopted by the General Assembly.

5. **Ms. Krahulcová** (Czech Republic), speaking on behalf of the European Union; the candidate countries Croatia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Albania, Montenegro and Serbia; and, in addition, Armenia, Republic of Moldova and Ukraine, said that the European Union, as well as the other countries participating in the negotiations on the text of draft resolution A/63/L.66, had invested considerable effort and shown great flexibility in reaching a consensus, following extensive deliberations that had lasted almost two months. It was regrettable that Member States had not been able to agree on the draft resolution before the conclusion of the first part of the resumed sixty-third session, thereby requiring a meeting to be convened one week later to consider its programme budget implications. The European Union hoped that such a situation would not recur and that no precedent would be set for the Committee to be urged into meetings outside its regular and resumed sessions. It stood ready to consider the programme budget implications of draft resolution A/63/L.66, on the understanding that it was a consensual and final text.

The meeting was suspended at 10.25 a.m. and resumed at 12.15 p.m.

6. **Mr. Abelian** (Secretary of the Committee) read out the following oral draft decision:

> "The Fifth Committee, having considered the statement of programme budget implications submitted by the Secretary-General (A/C.5/63/22) and the oral report of the Advisory Committee on Administrative and Budgetary Questions (A/C.5/63/SR.40), decides to inform the General Assembly that, should it adopt draft resolution A/63/L.66, additional resources in the total amount of $867,700 would be required under the programme budget for the biennium 2008-2009, comprising $481,600 under section 2, General Assembly and Economic and Social Council affairs and conference management, $136,200 under section 27, Public information, $38,600 under section 28D, Office of Central Support Services, and $211,300 under section 33, Safety and security. This would represent a charge against the contingency fund and, as such, would require an additional appropriation for the biennium 2008-2009 and would be considered by the General Assembly in accordance with the procedures for the use and operation of the contingency fund set out in its resolutions 41/213 and 42/211."

7. **Ms. Krahulcová** (Czech Republic), speaking on behalf of the European Union, said that the European Union expected the Secretariat to provide the Fifth Committee with a comprehensive and transparent report on the use of the resources provided for in the oral draft decision.

8. *The draft decision was adopted.*

9. **Mr. Cumberbatch** (Cuba) observed that calls for transparency were not necessarily made in other situations and stressed that the Committee must guard against double standards when allocating resources to different activities.

10. **Mr. Abdelmannan** (Sudan), speaking on behalf of the Group of 77 and China, said that the Group would have preferred approval of the full amount requested, without any absorption within existing resources. However, given the importance of the draft resolution on the financial and economic crisis and its impact on development, it had agreed to adopt the draft decision in its present form.

Other matters

11. **The Chairman** drew the attention of the Committee to the question of the continued provision of technical support to the Group of 77 and China by the Department for General Assembly and Conference Management at the upcoming substantive session of the Economic and Social Council.

12. **Mr. Abdelmannan** (Sudan), speaking on behalf of the Group of 77 and China, expressed the Group's great concern and astonishment at the e-mail recently received from the Chief of the Economic and Social Council Affairs Branch and Secretary of the Economic and Social Council and the Second Committee, informing it that, owing to a cut in the funds allocated to the Department for General Assembly and Conference Management, that Department would not be able to provide technical support to the Group at the substantive session of the Economic and Social Council in July 2009. The Group, surprised by both the substance of the message and the way in which it had

been communicated, strongly denounced and rejected such arbitrary behaviour, which could be interpreted only as an attempt to create obstacles to its effective and constructive engagement in the work of the United Nations and multilateral diplomacy in general. Such a step, if taken, would go against both the letter and the spirit of General Assembly resolution 63/248, in which the Assembly recognized the importance of meetings of regional and other major groupings of Member States for the smooth functioning of the sessions of intergovernmental bodies and asked the Secretary-General to meet the requests of those groupings for conference services. Member States had not been warned, either at the 2008 substantive session of the Committee on Conferences or in the course of the Fifth Committee's deliberations under agenda item 121, of any cuts or problems in the servicing of regional and other major groupings.

13. With the 2009 organizational session of the Committee on Conferences to be held the following day, the Group requested immediate clarification of the reasons for the proposed withdrawal of technical support, noting that the Fifth Committee had not endorsed any cut in the funds allocated to the Department for General Assembly and Conference Management. The Group wished to know, in particular, whether there had been any reduction in the funds allocated to the Department for the biennium 2008-2009 and, if so, what the level of the cut had been, what legislative basis, if any, the General Assembly had provided for the cut, who had authorized it and what specific lines of the Department's budget had been targeted; what implications the cut had for the Department's activities and how the Department had prioritized its implementation; what specific elements of technical support the Secretariat intended to withhold from the Group at the Economic and Social Council substantive session in July 2009 and what their financial cost would be; and which entities, other than the Group, were affected by the so-called cut in funds.

14. Reiterating its regret at the difficulties faced by the Group at a time when it was preparing to participate in the coming substantive session of the Economic and Social Council, the Group called for the Under-Secretary-General of the Department for General Assembly and Conference Management to attend the current meeting in person in order to answer the questions raised.

15. **The Chairman** said that the Secretariat had taken note of the concerns raised by the representative of the Sudan and would respond immediately.

16. **Mr. Shaaban** (Under-Secretary-General for General Assembly and Conference Management) said that, given a reduction in the budget for the Department for General Assembly and Conference Management for 2009, it had been necessary to make several across-the-board cuts. Although the Department had absorbed the costs of some ten thematic non-calendar debates during the current biennium, it was no longer in a position to absorb the costs of non-calendar meetings.

17. In response to the clarifications requested by the Group of 77 and China, he said that the funds allocated to the Department for the biennium 2008-2009 had been reduced by $5.7 million. As a result, he had been obliged to reduce travel to meetings and conferences and had been unable to process documents for certain meetings, in particular for the Human Rights Council. It was also possible that certain integrated conference management projects would have to be discontinued.

18. With respect to the provision of technical support to the Group of 77 and China at the substantive session of the Economic and Social Council in July 2009, one of the nine staff members travelling to Geneva from Headquarters would service the Group's meetings.

19. **Ms. Samayoa-Recari** (Guatemala) pointed out that the General Assembly had approved seven additional posts for the Department, over and above the number requested in the Secretary-General's budget proposal. It was therefore difficult to understand why certain meetings could not be serviced. It was important to achieve savings, but not at the expense of mandated activities. Her delegation would like to know exactly where the Department's budget had been cut.

20. **Mr. Abdelmannan** (Sudan), speaking on behalf of the Group of 77 and China, said that the issue was a serious one for the Group and that failure to provide technical support to the Group of 77 at the upcoming substantive session of the Economic and Social Council would affect its performance. There was no authority for a cut of $5.7 million from the Department's budget and the Group would welcome a written response.

21. **Mr. Afifi** (Egypt) asked who had requested and who had authorized the reduction in the number of

staff travelling to Geneva. He also wondered whether the nine assigned staff would be able to provide logistical support to the Group of 77, in addition to covering all the Council meetings. It was unclear why the cut in the Department's budget affected some activities and not others, especially since the Department had shown the capacity to absorb certain costs with respect to, for example, the capital master plan. His delegation would appreciate further clarification.

22. **Mr. Brant** (Brazil) noted that, in the past, within the limited budgetary discretion of the Secretary-General, certain activities had been funded from savings in the Department for General Assembly and Conference Management. Reiterating the importance of implementing all mandated activities, he said that, if required resources were not available, they should be requested through the proper mechanisms.

23. The provision of services to the Group of 77 and China and the activities of the Human Rights Council in Geneva were mandated by the General Assembly and his delegation could not understand how a cut in expenditure could be allowed to undermine the implementation of General Assembly mandates.

24. He recalled that, in late 2008, the Committee had discussed the first performance report for the biennium, and specifically the use of the limited budgetary discretion granted to the Secretary-General by General Assembly resolution 60/283 to provide resources for information and communications technology and enterprise resource planning projects. As those projects had been funded from savings within the Department for General Assembly and Conference Management, he assumed that the necessary resources had been available because they were surplus to requirements. If the resources had not been surplus to requirements, they would surely not have been used for another purpose.

25. All mandates of the General Assembly must be implemented. If the resources to do so were not available, they must be requested from the General Assembly in line with the usual procedures. He wished the Department's written answer to the members of the Committee to clarify the situation.

26. **Mr. Cumberbatch** (Cuba) said that his delegation had noticed the marked lack of consistency in the manner in which it was proposed to finance activities of the Organization. At times, expenditure would be absorbed within existing resources. At others, it would be covered by making savings in another area of activity. However, in the case of the activities under discussion, which resulted from mandates of the General Assembly, no financing at all was available. The problem seemed to be a recurring one, having also arisen in connection with the Development Account in 2008.

27. For the sake of further clarity, and because he saw a risk that the Economic and Social Council might be prevented from meeting in Geneva in the future, he would like the Under-Secretary-General for General Assembly and Conference Management to indicate the approximate cost of providing services for the Group of 77 and China when sessions of the Council had been held in Geneva in the past. Bearing in mind the unusual situation, and the unusual way in which the Group of 77 and China had been notified, he also wished to know what other regional or subregional groups would be similarly affected at duty stations away from Headquarters.

28. **Mr. Coffi** (Côte d'Ivoire) said that he would like to know what percentage of the total budget of the Department for General Assembly and Conference Management was accounted for by the cut of $5.7 million.

29. **Mr. Shaaban** (Under-Secretary-General for General Assembly and Conference Management), turning first to the matter of resources for the Human Rights Council, indicated that the Council, in its decision 9/103, had requested the Secretary-General to report to the General Assembly on the resources required to provide the Council with the necessary services. Draft resolution A/C.3/63/L.57/Rev.1 of the Third Committee, the programme budget implications of which were set out in document A/C.3/63/L.77, indicated a request for the establishment of a number of posts on the basis of the report of the Human Rights Council (A/63/53 and Add.1).

30. However, under the terms of the draft resolution concerned, the General Assembly had been invited to take note of, rather than endorse, the recommendations in the report of the Human Rights Council. As a result, the statement of programme budget implications had been withdrawn. Although pursuant to a previous General Assembly resolution the Council had been directed to hold a minimum number of sessions, resulting in the allocation of $4 million to provide

services to the Council in its first year, the Council faced the prospect of holding six new sessions to conduct the Universal Periodic Review in the forthcoming biennium without the associated requirements being taken into account. At no time had the Department indicated that it could absorb the cost of providing services for those additional meetings of the Council.

31. Recalling that he had been asked to specify who had authorized the reduction in travel costs for the Department, he indicated that he had done so personally because it was impossible to reconcile the cost of travel with the need to continue providing meeting services, processing documentation and financing global integrated management projects. Being an across-the-board reduction, it did not affect travel for servicing meetings of the Economic and Social Council alone.

32. With regard to using cost savings from the budget of his Department as a source of resources, within the context of the Secretary-General's limited budgetary discretion, for enterprise resource planning and pandemic-related projects, he indicated that the sum concerned, $2,164,600, represented a temporary reduction obtained against established posts of the Department which had remained unfilled. Although vacancy rates in the Department were currently high, if any of those posts were filled, the necessary resources must come from the regular budget.

33. With regard to the groups affected by the financial cut, he pointed out that substantive secretariat services were provided for the Group of 77 and China, and other regional or subregional groups, by the Department of Political Affairs or the Department of Economic and Social Affairs, as appropriate. The Department for General Assembly and Conference Management provided technical secretariat services. He was consequently unable to provide an estimate of the cost of providing support at previous sessions of the Economic and Social Council held in Geneva. With regard to the share of the budget of the Department accounted for by the cut of $5.7 million, the amount could be calculated by comparing it against the Department's budget for the current biennium, which stood at $372,195,400.

34. He stood ready to provide written answers where requested, and wished to assure the members of the Committee that, while he understood the frustration of the Group of 77 and China, only an understanding of the facts would clarify the situation.

35. **Ms. Samayoa-Recari** (Guatemala) said that the Committee's discussion of the matter before it would be greatly facilitated if the Under-Secretary-General for General Assembly and Conference Management could provide his answers in writing. Emphasizing that the Economic and Social Council session was approaching, she emphasized the need to determine how the Council could function properly in the face of the Department's travel cuts.

36. **Mr. Brant** (Brazil) said that, in the light of the explanations provided by the Under-Secretary-General for General Assembly and Conference Management, he wondered why, if it was within the prerogative of the Secretary-General and the Under-Secretary-General to shift budget resources from one activity to another, even between duty stations, they were not doing so in order to accommodate the needs of the Group of 77 and China and the Human Rights Council.

37. **Mr. Abdelmannan** (Sudan), speaking on behalf of the Group of 77 and China, expressed his Group's continued surprise at the ability of the Secretariat to make over $5 million in financial cuts, apparently without any consultation or legislative basis. For that reason, having heard from the Under-Secretary-General for General Assembly and Conference Management, it wished the Programme Planning and Budget Division also to provide clarification. The Group would pursue the matter until a solution was found, being keenly aware that its participation and engagement in the work of the Organization would be affected by the lack of resources.

38. **Ms. Van Buerle** (Director, Programme Planning and Budget Division), turning first to the budget situation of the Department for General Assembly and Conference Management, said that the relevant information appeared in the draft report of the Fifth Committee to the General Assembly (A/C.5/63/L.24). The report recounted the chronology of events leading to the approval of the revised appropriation for the Department. The table in paragraph 8, under section 2, General Assembly and Economic and Social Council affairs and conference management, indicated an initial appropriation of $629,339,800. It also indicated an increase of $32,921,300 subsequent to the consideration in December 2008 of the first performance report for the biennium and of a number

of programme budget implications and revised appropriations. The total revised appropriation was therefore $662,261,100.

39. In addition, she recalled that although the General Assembly had approved the entire appropriation, it had, in section XII, paragraph 8, of its resolution 63/263 on questions relating to the programme budget for the biennium 2008-2009, effectively withheld an amount of up to $45 million, making its release conditional on receipt by the President of the General Assembly of a letter from the Secretary-General setting out expenditure performance during the course of the year and providing for it to be assessed on the Member States. She also recalled that, in the consultations leading up to the adoption of the resolution, it had been proposed that expenditure should be monitored and the Committee informed if it became necessary to draw on that amount.

40. She further recalled that the use of the limited budgetary discretion granted to the Secretary-General by General Assembly resolution 60/283 to cover expenditure on the enterprise resource planning system and on steps to ensure business continuity in a protracted human influenza pandemic crisis had relied on potential savings identified under section 2, General Assembly and Economic and Social Council affairs and conference management, and under other sections of the budget. The potential savings under section 2 resulted from the fact that posts remained unfilled. As the Under-Secretary-General for General Assembly and Conference Management had pointed out, the resources must be restored to his Department if the posts concerned were filled.

41. It should also be remembered that, during the discussion of the first performance report and of the use of the Secretary-General's discretion with regard to budgetary implementation, no transfers of resources between sections of the budget had been approved. As a result, the appropriation for the Department for General Assembly and Conference Management had remained unaltered. When the second performance report for the biennium was considered, sums would be moved between sections of the budget, with the agreement of the Member States, in order to effect a technical adjustment and allow the accounts for the biennium to be closed and audited.

42. **Mr. Abdelmannan** (Sudan), speaking on behalf of the Group of 77 and China, said that, while his Group welcomed the responses of the Director of the Programme Planning and Budget Division, many questions remained.

43. **The Chairman** said that the matter would remain under discussion and that the Committee would return to it at a subsequent meeting.

The meeting rose at 1.05 p.m.

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Chairman: Mr. Bródi ..... (Hungary)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Ms. McLurg

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The meeting was called to order at 10.15 a.m.

Organization of work (A/C.5/63/L.42)

1. **The Chairman** invited the Committee to consider the proposed programme of work for the second part of the resumed sixty-third session, which had been circulated informally and had been prepared on the basis of the note by the Secretariat on the status of preparedness of documentation (A/C.5/63/L.42).

2. **Mr. Abdelmannan** (Sudan), speaking on behalf of the Group of 77 and China, said that he regretted the absence of agreement among members of the Bureau on the proposed programme of work and could not understand why a number of matters were being scheduled for discussion as cross-cutting issues under agenda item 132, Administrative and budgetary aspects of the financing of the United Nations, instead of under the agenda items to which they logically belonged. Such an approach was not in line with the rules of procedure of the General Assembly.

3. If that approach was corrected, the Group was prepared to approve a programme of work for the first week of the second part of the resumed session. Instead of appearing under agenda item 132, the report of the Independent Audit Advisory Committee on vacant posts in the Office of Internal Oversight Services (OIOS) (A/63/737) should appear under item 117, Review of the efficiency of the administrative and financial functioning of the United Nations; the report of the Secretary-General on action taken to improve the timely submission of documents for the Fifth Committee (A/63/735) should appear under item 121, Pattern of conferences; and the updated report on the review of the methodology for rates of reimbursement to troop-contributing countries (A/63/697) should be kept separate from cross-cutting issues related to peacekeeping operations, having been drawn up in response to General Assembly resolution 62/252 on reformed procedures for determining reimbursement to Member States for contingent-owned equipment.

4. **Ms. Krahulcová** (Czech Republic), speaking on behalf of the European Union, the candidate countries Croatia and Turkey; the stabilization and association process countries Albania and Serbia, and, in addition, Armenia, reiterated that all documents for consideration by the Committee must be available in all six official languages before the beginning of each session. However, despite the one-week postponement of the start of the current session, documentation for some items in the tentative programme of work had still not been issued. With the current session devoted mainly to approving resources for peacekeeping, a core function of the Organization, the European Union believed that a comprehensive approach to the matter, based on in-depth analysis and informed debate, was the only way forward.

5. **Mr. Ruiz Massieu** (Mexico), speaking on behalf of the Rio Group, expressed concern at the size of the proposed budgets for peacekeeping operations and urged the Security Council to keep in mind the consequences of its decisions in a climate of economic crisis. Such considerable expenditure also unbalanced the allocation of resources among the activities of the Organization. The Group believed that encouraging development would reduce the amount spent on peacekeeping. Moreover, as the budgets of peacekeeping operations were often left with surplus funds, planning and forecasting should be improved for the sake of greater efficiency and more transparent budgetary implementation.

6. Recourse to the commitment authority authorized by regulation 4.6 of the Organization's Financial Regulations and Rules in anything except an emergency was contrary to good practice and budgetary discipline. Such action, which was not subject to the approval of the General Assembly, should not become the standard way of making up a shortfall in resources when the Security Council approved or extended a peacekeeping mandate.

7. Cross-cutting issues were relevant to rational, efficient and accountable peacekeeping. However, the Group believed that the consideration of such issues had yielded disappointing results in the past and agreed with the view expressed by the Advisory Committee in its earlier report on the administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (A/63/746) that not all such issues required annual policy direction from the General Assembly. The Group hoped that separate and sufficient consideration would be given to the report of the Secretary-General on the review of the methodology for rates of reimbursement to troop-contributing countries (A/63/697) and the report of the Independent Audit Advisory Committee on vacant posts in the Office of Internal Oversight Services (A/63/737).

8. The Group was also concerned that the tentative programme of work erroneously implied a connection between peacekeeping and other important matters which deserved sufficient and separate consideration. They included the pattern of conferences, resources for the Human Rights Council and its universal periodic review and the prospect of indefinite postponement of the national competitive examination.

9. **Ms. Helu** (Namibia), speaking on behalf of the Group of African States, expressed the disappointment of the Group at the failure of the Bureau to propose a programme of work by consensus, setting the wrong tone at the start of the session, which had already begun later than planned. The Committee should ensure that its attention remained on the important and time-bound peacekeeping matters before it, remembering the current financial crisis and the fact that peace and security were a prerequisite for economic development.

10. The Group believed that the reports concerning the timely submission of documents for the Fifth Committee (A/63/735), vacant posts in the Office of Internal Oversight Services (A/63/737) and rates of reimbursement to troop-contributing countries (A/63/696) should be discussed not in the context of cross-cutting issues connected with peacekeeping, but in their own right. Attempts to do otherwise could be motivated by factors other than the effective fulfilment of the mandate given to the Fifth Committee by the General Assembly. The Group stood ready to approve a programme of work based on the principles just explained in order to prevent delays in addressing the Committee's heavy workload.

11. **Mr. Rashkow** (United States of America) said that the proposed budgets for current peacekeeping missions, if adopted, would reach some $8.5 billion, more than double the regular budget for 2008-2009 and 20 per cent higher than the previous peacekeeping total. However, the unforeseen economic and financial crisis meant that Member States were facing an increase in the peacekeeping budget at a time when they could least afford such an increase. The Secretariat and the Member States should therefore carefully examine the proposed budgets to eliminate any expenditure that was not absolutely necessary.

12. While his delegation understood the challenge of preparing and reviewing budget proposals, it was concerned that late submission of the reports containing peacekeeping budget details, particularly in the case of large missions such as the United Nations Mission in the Central African Republic and Chad (MINURCAT) and the United Nations Organization Mission in the Democratic Republic of the Congo (MONUC), would leave the Committee too little time to consider complex questions. He therefore urged the Secretary-General, who was ultimately responsible for timely performance of the Secretariat's functions, to work with the departments concerned to address the recurring problem of late submission of reports. It also urged the Advisory Committee to examine how it could improve the situation.

13. **Mr. Mukai** (Japan) said that the record level of the proposed peacekeeping budget was set against a background of financial and economic challenges not seen in decades. The Organization should therefore ensure that oversight, management and financial control were commensurate with the increase in expenditure.

14. The substantial peacekeeping budget total made it all the more necessary for the Committee to make full use of the four weeks available to it at the current part of the resumed session. It was unfortunate that the Bureau had been unable to reach a consensus on a tentative programme of work to propose to the Committee, that the Committee was still awaiting documentation regarding the larger peacekeeping missions and that the Advisory Committee was unlikely to finalize its reports to the Fifth Committee in time for them to be considered.

15. His delegation urged the Committee secretariat and Bureau to improve coordination with the Chairman of the Advisory Committee in order to achieve better synchronization of work. However, it recognized the excessive burden being placed on the infrastructure of the General Assembly. Efforts should be made to rationalize the winter session of the Advisory Committee and the first and second parts of the resumed General Assembly session for the Fifth Committee in order to address peacekeeping issues more efficiently. It was time to consider shortening the first part of the resumed session and lengthening the second, while remaining within the overall limit on the Committee's conference-servicing resources, which allowed it to meet for eight weeks in resumed session.

16. **The Chairman**, expressing his deep regret at the failure in the Committee to reach agreement on a

programme of work, said that the Bureau had in fact achieved a consensus on the tentative programme currently before the Committee, but would welcome an alternative proposal from the Member States. He urged them to overcome their differences in order to avoid further delays. The Bureau would meet again following the current meeting in order to discuss the way forward.

17. **Ms. Samayoa-Recari** (Guatemala) said that it was not unusual for the Committee to adopt a programme of work week by week or even day by day. The regional groups were not refusing to discuss certain matters, they merely disagreed over the manner of their discussion. She suggested that efforts should continue to find a consensus, and that, in the meantime, the work of the Committee should be allowed to continue unhindered simply by removing a contentious issue from the programme of work proposed for the following day.

18. **Mr. Abdelmannan** (Sudan), speaking on behalf of the Group of 77 and China, said that he had hoped that reason and wisdom might prevail in the discussion of the Committee's proposed programme of work and regretted the failure to reach consensus. However, he could not see how it was possible to proceed with a programme of work which had not first been agreed. As the disagreement centred on the matters currently scheduled for discussion under the agenda item devoted to cross-cutting issues, and specifically the pattern of conferences and reimbursements to troop-contributing countries, perhaps the Bureau could propose for the first week of the current resumed session a programme of work that simply omitted cross-cutting issues altogether.

19. **Mr. Cumberbatch** (Cuba) said that, while his delegation wished to reiterate that if the same urgency and resources had been devoted to development as to peacekeeping, the Millennium Development Goals could be achieved on schedule, it believed that the Committee must act rapidly to approve budgets for the current peacekeeping missions.

20. With regard to the substance of the proposed programme of work, there was no logic in failing to adhere to the rules of procedure of the General Assembly by scheduling for discussion under agenda item 132 reports originally introduced under other agenda items, specifically the report of the Independent Audit Advisory Committee on vacant posts in the Office of Internal Oversight Services, and the reports of the Secretary-General on timely submission of documents for the Fifth Committee and on rates of reimbursement to troop-contributing countries.

21. **Mr. Abdelmannan** (Sudan), speaking on behalf of the Group of 77 and China, said that the Chairman's suggested course of action — returning discussion of the proposed programme of work to the Bureau — was unlikely to lead to consensus. He wished to know the status of his Group's proposal to adopt a programme of work for the day and to facilitate continuation of the Committee's discussions thereafter by removing cross-cutting issues from its programme of work until agreement was reached on how to address them.

22. **The Chairman** said he took it that the Committee wished to adopt the proposed programme of work for the current day only.

23. *It was so decided.*

Agenda item 105: Appointments to fill vacancies in subsidiary organs and other appointments

(b) Appointment of members of the Committee on Contributions (A/63/102/Add.1)

24. **The Chairman** drew the Committee's attention to the note by the Secretary-General (A/63/102/Add.1) informing the General Assembly of the resignation of Mr. Thomas Thomma from the Committee on Contributions and requesting the Assembly to appoint a person to fill the remaining portion of Mr. Thomma's term of office, which would expire on 31 December 2011.

25. The Government of Germany had nominated Ms. Gönke Roscher to fill the ensuing vacancy and her candidature had been endorsed by the Group of Western European and other States. He took it that the Committee decided, by acclamation, to recommend the appointment of Ms. Gönke Roscher as a member of the Committee on Contributions, beginning on the date of the appointment by the General Assembly and ending on 31 December 2011.

26. *It was so decided.*

27. *The Committee recommended to the General Assembly the appointment of Ms. Roscher to membership of the Committee on Contributions for a term of office beginning on the date of her appointment and expiring on 31 December 2011.*

Agenda item 118: Programme budget for the biennium 2008-2009 (*continued*)

Security management (A/62/641; A/63/379, A/63/605 and A/63/769

28. **Mr. Veness** (Under-Secretary-General for Safety and Security), introducing the report of the Secretary-General on a strengthened and unified security management system for the United Nations (A/63/605), said that, pending the finalization of a detailed management review of the organizational structure of the Department of Safety and Security, the Department must address as a matter of priority the strengthening of certain key areas, for which additional resources must be allocated in 2009. While there had been criticism of add-ons to the 2008-2009 budget, there was no other option if the Department was to discharge its mandate effectively. The resources requested in the report were not likely to be affected by the outcome of the management review, which would only be considered by the General Assembly in the context of the proposed programme budget for 2010-2011.

29. The second phase of the standardized access control project (PACT II) needed to be implemented immediately to ensure continuity, meet the needs of vulnerable duty stations where the first phase (PACT I) had not been implemented, and safeguard the return on investment. However, the second phase could not begin until the necessary resources, which would also need to be rolled over into early 2010 for obligation purposes, were available.

30. The staffing resources requested were also essential in order to operate the new system in all duty stations but the Economic and Social Commission for Western Asia (ESCWA) and in security control centres. In addition, as no change was foreseen in the security situation in Beirut, there was an urgent need for dedicated resources to be made available on a permanent basis to ESCWA, as the current ad hoc arrangements were not sustainable. Additional resources were also required to improve the security of the Secretary-General's representatives in the United Nations Truce Supervision Organization (UNTSO) and the Office of the United Nations Special Coordinator for the Middle East Peace Process (UNSCO); to bolster executive protection capacity within the Security and Safety Service at Headquarters; and, if warranted, to regularize the protection extended to former Secretaries-General and other senior officials.

31. Other field-related security requirements requiring immediate attention by Member States included the establishment of an aviation risk management capacity within the Department, and strengthening of the Department's Division of Regional Operations, in particular by increasing staffing both at Headquarters and in the field, strengthening its security analytical capacity, establishing new security and information operation centres in particular countries, establishing a surge capacity in the Department, and strengthening field support services at Headquarters through the recruitment of senior security trainers with extensive experience in the field.

32. **Mr. Herman** (United Nations System Chief Executives Board for Coordination), introducing the report of the Secretary-General on measures taken to ensure the effective implementation of the arrangements in place for the sharing of costs for safety and security across the United Nations system (A/62/641), recalled that the General Assembly, in its resolution 61/263, had invited the Secretary-General to ensure common safety and security policies and the sharing of associated costs across the United Nations system, and to report on safety and security-related expenditures. Accordingly, the High-level Committee on Management of the United Nations System Chief Executives Board for Coordination (CEB) had recently completed an exercise to collect such information based on audited financial statements for the biennium 2006-2007; the results would be published shortly.

33. He reminded the Committee of the principles and modalities governing the sharing of the costs associated with the security management system, as set out in the report of the Secretary-General on interorganizational security measures (A/56/469), and recalled that the High-level Committee, at its thirteenth session, in March 2007, had considered a report by its Technical Working Group on cost-sharing arrangements and had explored possible ways of improving them. At its fourteenth session, in September 2007, the High-level Committee had endorsed the recommendations of its Technical Working Group that the costs of the United Nations security management system should be apportioned on the basis of the percentage of United Nations system personnel based in countries not members of the Organization for Economic Cooperation and Development; that the headcount should be carried out centrally by the CEB secretariat, with organizations of

the system remaining accountable for the figures provided; that the minimum level of participation of $75,000 should be increased by the same percentage as the recosting that had occurred since the last biennium; and that implementation of the agreed changes should be applied uniformly to all participants in the security management system.

34. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the related report of the Advisory Committee (A/63/769), said that the report of the Secretary-General (A/63/605) did not fully respond to the concern expressed by the General Assembly that the question of strengthening security arrangements for the United Nations should be dealt with in an integrated manner, in that it failed to take into account many security-related issues.

35. Following the recommendation of the Independent Panel on Safety and Security of United Nations Personnel and Premises Worldwide that a management review should be undertaken of the Department of Safety and Security, and in the light of the Controller's recent letter to the Advisory Committee, informing it that such a review could be expected to have a substantial effect on the organizational structure, mode of operations and level and composition of the resource requirements of the Department, the Advisory Committee recommended that a comprehensive report should be prepared on the safety and security policy framework of the United Nations. The report should also take into account the outcome of the management review and be submitted to the General Assembly early in the main part of the sixty-fourth session, so as to enable it to be considered in conjunction with the proposed programme budget for the biennium 2010-2011. Since, as had been acknowledged by the Controller, any proposals concerning the proposed programme budget for the Department for the biennium 2010-2011 would have limited value so long as the outcome of the management review had not been evaluated, the Secretary-General intended to submit an interim proposed budget for the Department in the coming months, while its full budget estimates for the biennium 2010-2011 would be submitted, through the Advisory Committee, to the General Assembly at the main part of the sixty-fourth session.

36. Turning to the specific proposals contained in part one of the report of the Secretary-General, she said that many of the Advisory Committee's recommendations hinged on the outcome of the management review and of the forthcoming report of the Secretary-General on the safety and security policy framework of the United Nations.

37. The Advisory Committee recommended against approval of the additional posts requested for executive protection and related non-post requirements and that no action should be taken on the proposal to extend security coverage to former senior United Nations officials. It had no objection to the proposed additional funding of $1.9 million for the first phase of the standardized access control project. With regard to projects under the second phase, and considering that the Secretariat had not been able to begin work on them prior to April 2009, the Advisory Committee recommended that the Secretary-General should submit directly to the General Assembly revised resource requirements for those second phase projects that needed to be started in 2009 to ensure continuity and that the staff costs included in those requirements should be based on general temporary assistance rather than posts. The remaining requirements for the second phase should take into account the Secretary-General's report on a safety and security policy framework and should be submitted in the context of the proposed programme budget for 2010-2011.

38. With respect to additional requirements in specific locations, the Advisory Committee recommended the establishment of 45 additional Security Officer posts at ESCWA, the acquisition of two armoured vehicles for UNTSO and the establishment of nine additional posts at UNSCO. Regarding security requirements at United Nations information centres, it had no objection to the proposal for the funding of additional security requirements from within existing resources during the biennium 2008-2009, but expected that, in future, there would be discussions with host Governments to ensure the required security at no additional cost to the United Nations.

39. Regarding the proposals in part two of the Security-General's report, a comprehensive plan on jointly financed security requirements would be the subject of a CEB report, in what appeared to be a piecemeal approach to such requirements. The resources requested in part two of the report were closely linked to the outcome of the management review and the development of the comprehensive

plan, and should be considered in the context of the proposed programme budget for 2010-2011.

40. The Advisory Committee recommended against establishment of an aviation risk management capacity within the Department, which needed to be further justified in view of the fact that such a capacity already existed elsewhere. It had no objection to the proposed redeployments to strengthen the capacity of the regional desks, noting that no additional resources were required for that purpose.

41. With regard to the increased deployment of field security officers, the Advisory Committee recommended against establishment of the five requested posts and did not agree that security chiefs in all duty stations should be at the same rank. The replication of the Lebanon model for other duty stations was questionable in view of the unique threat level in that country. The Advisory Committee recommended that the remaining requirements for field security officers should be considered in the context of the proposed programme budget for the biennium 2010-2011, as should the two proposed P-4 posts for the Division of Regional Operations following completion of the management review and the comprehensive plan. However, the Advisory Committee recommended against the establishment of a D-1 post for a Deputy Director of that Division, the managerial and operational capacity of which could be significantly enhanced if the Director concentrated more on responsibilities at Headquarters. As for the proposed 29 additional posts in order to strengthen security analytical capacity and the establishment of 25 posts at five security and information operation centres, the Advisory Committee recommended that those proposals should also be considered in the light of the outcome of the management review and the comprehensive plan.

42. Lastly, the Advisory Committee did not recommend approval of the proposal to establish a standing surge capacity within the Department, entailing the establishment of 10 P-4 posts for Security Officers in New York, or the proposal to establish four additional posts for security training officers.

43. **Ms. Ahlenius** (Under-Secretary-General for Internal Oversight Services), introducing the report of the Office of Internal Oversight Services on the comprehensive management audit of the Department of Safety and Security (A/63/379), said that governance and coordination issues needed to be addressed as a priority at the highest levels in order to strengthen the Department of Safety and Security and effectively mitigate the security risks facing the United Nations. The audit had found that stakeholders were concerned about the effectiveness of the Inter-Agency Security Management Network and particularly that it might not review and promulgate policies in a timely or adequate manner, with an attendant risk of disintegration of the security management system. OIOS therefore considered that there was an urgent need to review the structure and functions of the Network.

44. OIOS had also found that an internal document issued by the Department entitled "Lines of Reporting, Responsibilities and Administrative Arrangements for Security and Safety Services at Offices Away from Headquarters and Regional Commissions" was ambiguous and imprecise and that it was not consistent with the framework for accountability established for the United Nations security management system. Those weaknesses led to diminished accountability and could compromise the safety and security of United Nations staff. Similarly, OIOS felt that the dual reporting line of the Chief Security Adviser lacked clarity, and had, in one duty station, created tension between the Chief Security Adviser and the Designated Official.

45. OIOS considered that there was need to address the impediments to the professionalization of security personnel and creation of a career path within the United Nations security management system, as recommended in General Assembly resolution 59/276. The impediments related to the harmonization of contractual arrangements, establishment of security personnel profiles and standardization of recruitment practices. Coordination between the Department of Safety and Security and other departments was adequate.

46. OIOS had issued 16 recommendations, including recommendations for the Department to assess the effectiveness and adequacy of the Inter-Agency Security Management Network; to initiate appropriate procedures and guidelines that would clarify the role and responsibilities of the Department and the Designated Officials away from Headquarters and the regional commissions; to clarify the objectives and scope of the Department's technical supervision, policy direction and operational guidance provided to Chief Security Advisers in the field and reassess their reporting lines; and to request the Office of Human

Resources Management to review the feasibility of harmonizing the contractual arrangements of locally recruited security personnel to facilitate their mobility.

47. The Department had accepted and started to implement all the recommendations of OIOS. In addition, the Steering Committee established by CEB to review the functioning of the inter-Agency Security Management Network had issued a report on safety and security recommending CEB approval of adjustments to the framework for accountability by April 2009 as part of the review of the overall security architecture. On the harmonization of contractual arrangements for locally recruited personnel, the Department had noted that the High-level Committee on Management had requested its Human Resources Network to report on related human resources issues at the autumn 2009 session.

48. **Mr. Abdelmannan** (Sudan), speaking on behalf of the Group of 77 and China, said that the Group stood ready to work closely with the new Under-Secretary-General for Safety and Security to establish a strengthened and unified security management system with criteria for determining security requirements and standards for worldwide threat and risk assessment that would justify the additional resources needed by the Department of Safety and Security to ensure its ability to respond to any emergency, bearing in mind the varying levels of risks and threats in different locations.

49. The Group reiterated its support for the provision of safety and security for all United Nations staff, operations and premises, as well as for measures to ensure a coherent, effective and timely response to all security-related threats and other emergencies. However, it wished to emphasize the importance of transparency and accountability in addressing the issue of safety and security. In that connection, it noted the recommendation of the Independent Panel on Safety and Security of United Nations Personnel and Premises Worldwide that the Under-Secretary-General for Safety and Security should conduct a management review of the Department of Safety and Security with the purpose of better defining roles and responsibilities and establishing clear lines of accountability, and its further recommendation that the level and allocation of additional human and financial resources required by that Department should be determined following the review. It also noted that the Office of Internal Oversight Services had recommended in its report (A/63/379) that the Department of Safety and Security should, in consultation with the Inter-Agency Security Management Network, reassess its current staffing levels and its structure, clearly identifying the major functions of its divisions and units. The Group was concerned that the Secretary-General had not yet presented to the General Assembly his report on a comprehensive safety and security policy framework at the United Nations, as requested by the Assembly in its resolution 61/263. Lastly, the report of the Independent Panel on Accountability should be made available to Member States without delay. His delegation called on the Secretary-General to provide all relevant information and the outcomes of all requested reviews, in order to facilitate the Committee's informed discussion of the issues in question at the main part of the sixty-fourth session of the General Assembly.

50. **Ms. Krahulcová** (Czech Republic), speaking on behalf of the European Union; the candidate countries Croatia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Albania, Montenegro and Serbia; and, in addition, Armenia, Republic of Moldova and Ukraine, said that the European Union considered it an absolute necessity and priority for the Organization to initiate all steps needed to protect effectively United Nations staff and premises, particularly bearing in mind that the Organization now had a greater worldwide presence than ever before and, consequently, greater exposure to all kinds of risk. The Union therefore welcomed the Secretary-General's initiative to propose measures to strengthen the safety and security of United Nations personnel. While the European Union agreed with the Advisory Committee that the question of strengthening security arrangements for the United Nations should be dealt with in an integrated manner and that a comprehensive report on a safety and security policy framework of the United Nations should be submitted to the General Assembly at the sixty-fourth session to permit consideration of the report in conjunction with the proposed programme budget for the biennium 2010-2011, it believed that some proposals might require urgent consideration by Member States and stood ready to discuss them further.

51. **Ms. White** (Australia), speaking also on behalf of Canada and New Zealand, said that, although the creation of the Department of Safety and Security had been an important first step in ensuring a systematic and professional approach to staff safety and security,

the task of providing security was a huge challenge in view of the increasingly threatening security environment for the United Nations, the size of its workforce and its presence in more than 180 countries. It was nevertheless, the duty of the Secretary-General and of Member States to do so.

52. Recalling that the General Assembly, in its resolution 61/263, had emphasized the need for a comprehensive safety and security policy framework, and that a number of other reports, including the OIOS report (A/63/379) and the report of the Independent Panel on Safety and Security, had echoed the need to review operations to better define roles and responsibilities and establish clear lines of accountability, he said that the three delegations were awaiting the outcomes of the management review due to be completed in May 2009 pursuant to the Independent Panel's recommendations. Furthermore, while they understood that the comprehensive report on the safety and security policy framework of the United Nations had been delayed following the terrorist attack on the United Nations in Algiers, pending a review of security policies and procedures, they urged the Secretary-General to complete that report as soon as possible, in order to allow Member States to consider all aspects of the strengthening of safety and security in an integrated and timely manner.

53. Although the three delegations would prefer not to determine the level of human and financial resources required by the Department of Safety and Security until after the management review, in accordance with the recommendations of the Independent Panel on Safety and Security, they concurred with the Secretary-General that some elements of security required urgent consideration. In particular, work on the first and second phases of the standardized access control project needed to be continued, as stated in the Advisory Committee's report (A/63/769); in that connection, the three delegations looked forward to receiving revised resource requirements from the Secretariat. The particularly challenging security situations faced by the Economic and Social Commission for Western Asia, the United Nations Truce Supervision Organization and the Office of the United Nations Special Coordinator for the Middle East Peace Process should also be addressed immediately. It was especially urgent to provide for the security of vulnerable United Nations operations in remote locations; in that regard, some strengthening of security analytical capacity was warranted. The Committee had a collective responsibility to provide for the safety and security of the staff of the United Nations system.

54. **Mr. Gürber** (Switzerland), speaking also on behalf of Liechtenstein, said that the terrorist attack on the United Nations in Algiers had shown the cost of underestimating the importance of safety and security. Since Member States expected United Nations staff members to execute faithfully all the legislative mandates entrusted to them, they had a corresponding duty to make every effort to improve their security and minimize the risks to which they were exposed.

55. Discussions on a comprehensive safety and security policy framework at the United Nations could not take place until the Secretary-General had completed his management review, in accordance with the recommendations of the Independent Panel on Safety and Security. Given the importance of that issue, the two delegations hoped that a comprehensive report on a safety and security policy framework would be submitted to the General Assembly sufficiently early in the main part of the sixty-fourth session to permit consideration of the report in conjunction with the proposed programme budget for the biennium 2010-2011. While they regretted that the Committee had not been able to examine the issue of safety and security at the first part of the resumed sixty-third session and that the programme of work for the current part of the session allowed insufficient time for detailed consideration, they stood ready to discuss the Secretary-General's resource requests, bearing in mind the Advisory Committee's recommendations on various specific requirements that warranted immediate attention.

56. **Mr. Yamada** (Japan) reiterated his delegation's regret that the proposals made by the Secretary-General in his report on revised estimates in connection with a strengthened and unified security management system for the United Nations (A/63/605) followed a piecemeal budget approach rather than adhering to the normal budget cycle and that they neglected some important issues, including accountability and a review of the management of the Department of Safety and Security, as highlighted by the Independent Panel on Safety and Security. Taking note of the letter from the Controller addressed to the Chairman of the Advisory Committee, annexed to the Advisory Committee's report (A/63/769), his

delegation considered that the budgetary aspects of safety and security should be considered only when all the relevant reports, including the comprehensive report on a safety and security policy framework of the United Nations, had been received and could be fully discussed. In that connection, he wondered whether the comprehensive report was likely to be completed in May 2009, as indicated in the Advisory Committee's report (A/63/769). If so, he requested that the Committee should be provided with an outline of the report at the current meeting.

57. **Mr. Chumakov** (Russian Federation) said that the resources provided by the Member States to establish a comprehensive safety and security policy framework must be managed in a rational and effective way, and he accordingly supported the recommendations of OIOS, specifically for a clearer delineation of roles and responsibilities within the Department of Safety and Security. The Department should establish closer cooperation with and within the Inter-Agency Security Management Network.

58. He remained unconvinced by the reasons offered by the Department for its delay in providing a comprehensive report on strengthening safety and security in response to the request made by the General Assembly in its resolution 61/263. The Department's requests for resources suffered from being submitted piecemeal and often lacked justification and proof of urgency. His delegation would bear in mind that the Advisory Committee had recommended approval of only $1.9 million out of the total of $52 million of additional resources requested from the current budget for the standardized access control system and for temporary posts.

59. His delegation expressed its readiness to ensure the safety and security of the Organization's staff at Headquarters and in the field by seeking a rational and balanced approach to the issue. The expected report of the Secretary-General should provide a basis for discussion and, ultimately, for the priorities to govern the budget for the forthcoming biennium in that regard.

60. **Mr. Ronaghan** (United States of America) said that his delegation looked forward to receiving the outcomes of the management review carried out pursuant to the Independent Panel's recommendations, as well as the comprehensive report on a safety and security policy framework of the United Nations to be submitted to the General Assembly pursuant to its resolution 61/263. His delegation took note of the recommendations made by the United Nations System Chief Executives Board for Coordination with regard to the High-level Committee on Management at its spring session and considered that they should be incorporated into the comprehensive report. The new Under-Secretary-General should be given the opportunity to review and comment on that report before its consideration by the Committee.

61. While his delegation concurred with the view expressed in the Advisory Committee's report (A/63/769) that the question of strengthening security arrangements for the United Nations should be dealt with in an integrated manner, it was prepared to consider proposals that involved an immediate risk to life, or otherwise required urgent consideration, at the current part of the resumed sixty-third session.

Agenda item 133: Financing of the United Nations Operation in Burundi (A/63/551 and A/63/773)

Agenda item 145: Financing of the United Nations Mission in Sierra Leone (A/63/681 and A/63/746/Add.1)

62. **Ms. Vendat** (Director, Peacekeeping Financing Division), introducing the report of the Secretary-General on the financing of the United Nations Operation in Burundi (ONUB) (A/63/551), said that the report provided details on the final disposition of that Mission's assets, valued at $59,152,442 as at 3 November 2008. Some of the assets had been transferred to other missions or to temporary storage at the United Nations Logistics Base at Brindisi, Italy ($51,336,469); others had been sold in the Mission area ($1,936,205) or donated to the Government of Burundi ($2,799,417); yet others had been written off or lost ($3,080,351). The General Assembly was invited to take note of the report.

63. Introducing the final performance report of the United Nations Mission in Sierra Leone (UNAMSIL) (A/63/681), she said that the report included information on the assets, outstanding liabilities and fund balance as at 30 June 2008 in respect of the United Nations Observer Mission in Sierra Leone (UNOMSIL) and UNAMSIL, as well as information on UNOMSIL income and expenditure for the period from its inception on 13 July 1998 to 30 June 2008. As at 30 June 2008, cash assets in the Special Account for UNAMSIL had amounted to $109,125,000 and

outstanding liabilities to $93,976,000, resulting in a cash balance of $15,149,000, which the Secretary-General proposed to credit to Member States. As at 30 April 2009, the cash balance had increased by $484,000 to $15,633,000; that amount could therefore be returned to Member States.

64. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the Advisory Committee's report on the final disposition of assets of ONUB (A/63/773), said that the Advisory Committee recommended that the General Assembly should take note of the report. It also recommended that a fuller explanation of the final dispositions of assets should be provided in future reports of the Secretary-General, including the residual value of all groups of assets, in order to present a more transparent and precise overview and to allow lessons to be learned.

65. Introducing the Advisory Committee's report on the final performance report of UNAMSIL (A/63/746/Add.1), she said that the Advisory Committee recommended that the General Assembly should accept the Secretary-General's proposal to credit to Member States the cash balance of $15,149,000 available in the Special Account for UNAMSIL as at 30 June 2008. While an additional amount of $7,248,000 in uncollected assessments and other receivables had been outstanding as at that date, the Advisory Committee had since been informed that the cash balance had increased to $15.6 million as at 31 March 2009.

66. The Advisory Committee had also been informed that any further information on the financial position of UNAMSIL would be provided to the General Assembly in the context of the Secretary-General's report on closed peacekeeping missions. The Special Account for UNAMSIL would remain open until uncollected assessments and other receivables were received, unless another decision was taken by the Assembly.

The meeting rose at 12.35 p.m.

United Nations A/C.5/63/SR.42

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Chairman: Mr. Bródi ..... (Hungary)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Ms. McLurg

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The meeting was called to order at 10.15 a.m.

Organization of work

1. **The Chairman** said that he took it that the Committee wished to approve the proposed programme of work agreed by the Bureau and distributed to all Committee members, on the understanding that adjustments would be made, where necessary, during the course of the session.

2. *It was so decided.*

Agenda item 116: Financial reports and audited financial statements, and reports of the Board of Auditors (*continued*) (A/63/5 (Vol. II), A/63/746 and A/63/784)

3. **Mr. Vanker** (Chairman of the Audit Operations Committee of the Board of Auditors), introducing the report of the Board of Auditors on the United Nations peacekeeping operations for the 12-month period from 1 July 2007 to 30 June 2008 (A/63/5 (Vol. II)), said that the Board had addressed the recent change in its composition by implementing a carefully constructed succession plan involving the exchange of audit experience, manuals and methodologies between the outgoing and incoming auditors. The Board had also provided professional support for the new auditors, complemented by workshops and training organized by various other United Nations entities. The three Board members continued to share the audits of peacekeeping missions; their management letters had, for the first time, focused on similar areas and followed a consistent layout, which had allowed the identification of common areas and threats to multiple missions.

4. For the third consecutive financial period, the Board had issued an audit opinion with two emphases of matter, each of which reflected negatively on the control environment in peacekeeping operations and on the efficient use of resources and the safeguarding of the Organization's assets. The Organization should give the highest priority to addressing the concerns raised.

5. The report (A/63/5 (Vol. II)) addressed all the relevant financial statement captions, audit risks and audit themes identified by the Board, as well as the topics identified by the Advisory Committee in its consideration of the Board's previous report (A/62/5 (Vol. II)). Several matters identified for attention remained only partially addressed by the Administration. The guidelines for quick-impact projects and the integrated mission planning process, for example, had still not been finalized at the time of the audit and the Board had therefore been unable to conduct a review. That hampered the work of the oversight bodies and implementation of the governing bodies' intentions.

6. Only 32 per cent of the Board's recommendations for 2006/07 had been fully implemented, a decrease compared with the previous year. Of the partially implemented and unimplemented recommendations, at least 20 per cent were two years old or more. Nevertheless, the Board welcomed the progress made in addressing its recommendations, described in the Secretary-General's related report (A/63/784).

7. Assessed contributions receivable had increased to $1.58 billion as at 30 June 2008. Of that amount, $609.42 million had been outstanding for more than two years. As a result, the shortfalls of cash for some active missions had deteriorated over the past three years. The position of the General Assembly and the Administration was that all assessments remained recoverable. However, accounting considerations dictated that a fair view should be presented in the financial statements. Since the application of International Public Sector Accounting Standards (IPSAS) might require the Organization to make a provision for non-recoverable debt or late-paying debtors, consideration should be given to that matter before the new standards were implemented. The Board was also concerned about the Organization's readiness for IPSAS implementation. The 2010 deadline was expected to be missed by several United Nations organizations and in relation to peacekeeping the likely implementation date was now 2012. As a result, the benefits of improved disclosure and reporting would no doubt be delayed. Since various elements of the project were not yet fully in place, its cost should be closely monitored to prevent unnecessary escalation.

8. There were still shortcomings in the implementation of results-based budgeting; in particular, the guidelines had not been strictly followed, indicators of achievement were not always stated in clear and measurable terms, and the collection processes for evidence to support achievement of objectives must be enhanced.

9. There was room for improvement in fleet and rations management, air operations, information and communication technology (ICT) and, in particular, procurement and contract management. Furthermore, no human resources action plan had yet been developed for missions for 2008/09. In the Board's view, that contributed to the existence of very high vacancy rates, which impacted on the delivery of mandates and the achievement of programme objectives, and led to underutilization of budgets and a weakened control environment. In view of the human resources reforms under way, the Board would review its findings and recommendations, as well as management responses to them, in future audits. The Board had also continued to review the work of the resident auditors. In that connection, the impact of vacancies was reflected in the inadequate implementation of the audit plan, which left the Organization exposed to some risk.

10. **Ms. Hurtz-Soyka** (Director, Office of the Under-Secretary-General for Management) introduced the report of the Secretary-General on the implementation of the recommendations of the Board of Auditors concerning United Nations peacekeeping operations for the financial period ended 30 June 2008 (A/63/784).

11. For each recommendation contained in the Board's report, the Secretary-General's report provided details of the department responsible, the status, the priority and, in cases where the recommendation had yet to be implemented, the target date for implementation. While the implementation of all recommendations would be treated as a priority, the main recommendations had been designated as high priority and the others as medium priority. The report showed the implementation status of main recommendations (table 1), and all recommendations (table 2), by department responsible. Since the Administration continued to work closely with the Board and had provided full information, the Board's report in many cases adequately reflected the Administration's position; additional comment had been provided only where required. The Secretary-General's report (A/63/784) also provided an explanation for the delays in implementation of the Board's recommendations for prior periods, of which 44 were shown in the Board's report as partially implemented and 5 as not implemented. The Secretary-General was committed to ensuring the timely implementation of recommendations and, to that end, the Management Committee continued to follow up, on a quarterly basis, the status of implementation of oversight recommendations.

12. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) introduced the Advisory Committee's observations and recommendations on the Board of Auditors' report (A/63/746, chap. III). The Advisory Committee commended the Board on the quality, comprehensiveness and timely submission of its report.

13. The Advisory Committee shared the Board's view that the issuance of modified opinions for three consecutive financial periods reflected negatively on the control environment in peacekeeping operations and raised doubts as to the efficient use of resources. Appropriate and timely remedial action must be taken by management to resolve the concerns raised in the emphases of matter.

14. The Advisory Committee also noted that numerous findings of the Board pointed to deficiencies in planning, inconsistencies in applying guidelines and delays in addressing matters requiring attention, which concerned not only new or recent missions, but also, established missions. A thorough analysis of the causes of such recurring issues was essential in order for effective remedies to be implemented. In the Advisory Committee's view, the persistence of those problems pointed to insufficient managerial attention and a lack of accountability; it therefore urged the Secretary-General to take steps to ensure that management responsibilities were clearly assigned, understood and discharged, with individuals held accountable for their areas of responsibility. The Advisory Committee also believed that the high vacancy rate for resident auditors in field missions had contributed to the further weakening of the internal control environment in field missions and that a cooperative relationship between management and resident auditors should be promoted. Immediate action should be taken to accelerate the rate of implementation of the recommendations of the Board of Auditors, as well as those of other oversight bodies.

15. **Mr. Abdelmannan** (Sudan), speaking on behalf of the Group of 77 and China, said that the Group was concerned at the ageing of the Board's previous recommendations and the decrease in the rate of implementation of the recommendations made for 2006/07 compared to the previous year. The Board's

recommendations would not be meaningful if they were not implemented fully and in a timely manner. The Secretariat should therefore take practical measures to indicate the expected time frame and priorities for their implementation, including the office holders to be held accountable. In particular, it should strive to identify the root causes of the recurring issues highlighted in the Board's report (A/63/5 (Vol. II)).

16. The Group also noted with concern that the unpaid assessments pertaining to active peacekeeping missions had increased by 44.0 per cent as at the end of 2007/08 compared with the previous financial period and that overall liquidity in the active missions had declined. Member States had an obligation to maintain the healthy financial situation of the United Nations and should make greater efforts to pay their assessed contributions in full.

17. The Group shared the Advisory Committee's views regarding the Board's issuance of modified audit opinions for three consecutive financial periods. It was concerned about the issues raised in the two emphases of matter paragraphs on non-expendable and expendable property and called on the Secretariat to take prompt and effective remedial action to resolve those concerns. It also agreed with the Board's view that disclosure of the value of all expendable property in the financial statements would improve transparency, accountability and financial reporting, especially in preparation for IPSAS implementation.

18. With regard to procurement, the Group noted with concern the deficiencies identified by the Board in relation to acquisition planning, procurement lead time, technical evaluation, ex-post facto cases and contract awarding. It was particularly concerned at the increased number of ex-post facto cases for review by the Headquarters Committee on Contracts and the awarding of sole-source contracts, which were not in keeping with the principle of transparency and were prone to high prices owing to a lack of competition. It therefore concurred with the Board's recommendation that a procurement strategy should be developed as early as possible. The Secretariat should also explore all options for realizing savings under procurement and for increasing local procurement, as recommended by the Advisory Committee, and should make more efforts to enhance opportunities for vendors from developing countries.

19. The Group welcomed the Board's continued coordination with the Office of Internal Oversight Services (OIOS) but was concerned to note that only 65 of the 201 audits planned by OIOS for 2007 had been completed as at 31 December 2007. It concurred with the Board that OIOS should carefully monitor the workplans of the resident auditors to ensure that audits were executed and finalized in a timely manner.

20. **Ms. Krahulcová** (Czech Republic), speaking on behalf of the European Union; the candidate countries Croatia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Albania, Montenegro and Serbia; and, in addition, Armenia, Republic of Moldova and Ukraine, said that the Union was concerned about the ongoing deficiencies in the management of the expendable and non-expendable property under the missions' control, as highlighted in the Board of Auditors' report (A/63/5 (Vol. II)), and shared the Board's view that the accurate recording and disclosure of the value of all expendable property in the financial statements would improve transparency, accountability and financial reporting. The Secretary-General should continue to strengthen asset management and to ensure adequate safeguards to prevent waste and financial loss to the Organization. In that connection, the Union regretted that IPSAS would not be implemented in 2010 as initially planned and stressed the importance of its earliest possible adoption.

21. With regard to the financing of peacekeeping operations, the European Union was concerned to note that, as at 30 June 2008, a total of 39 per cent of assessed contributions receivable had been outstanding for more than two years. Member States must pay their contributions in full, on time and without conditions, to enable peacekeeping operations to fulfil their mandates.

22. The high vacancy rate for OIOS resident auditors was alarming, since it further weakened the application of internal control procedures in field missions. Effective internal audit coverage of all missions was vital to ensure that audits were executed and finalized in a timely manner.

23. **Mr. [illegible]rin** (Russian Federation) said that, with the substantially increased overall peacekeeping budget, the Board was justified in making many more recommendations than it had in the previous reporting period. His delegation shared the view of the Advisory

Committee that the deficiencies leading to the issuing of modified audit opinions, particularly those concerning expendable and non-expendable property, should be addressed. Although the decline in the cancellation of unliquidated obligations in three previous fiscal years was positive, the amount remained high, and a number of missions had failed to comply with procurement requirements, including the criteria for the creation of obligations laid down in the Financial Regulations and Rules and the Procurement Manual.

24. A gender balance in peacekeeping operations should be sought, in line with the Board's recommendation, but should not become an end in itself. When recruiting staff, the paramount considerations should remain those laid down in Article 101 of the Charter of the United Nations.

Agenda item 132: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (A/62/762 and A/62/805 and Corr.1; A/63/302 (Part II), A/63/550, A/63/675 and Corr.1, A/63/680, A/63/696, A/63/697, A/63/720 and A/63/746; A/C.5/63/24)

25. **Mr. Yamazaki** (Controller), introducing the report of the Secretary-General on the overview of the financing of the United Nations peacekeeping operations: budget performance for the period from 1 July 2007 to 30 June 2008 and budget for the period from 1 July 2009 to 30 June 2010 (A/63/696), said that the total approved peacekeeping budget for 2007/08 had amounted to $6.8 billion, inclusive of the United Nations Logistics Base at Brindisi and the support account. Expenditure had amounted to $6.3 billion, leaving an overall unencumbered balance of $0.5 billion. The overall budget implementation rate had been 92.7 per cent for the 2007/08 financial period, compared to 95.5 per cent for the prior period. Budget implementation rates had improved for eight operations, as well as for the Logistics Base and the support account, and had decreased for five missions. The main factors affecting budget performance at the mission level were highlighted in the report.

26. The overall peacekeeping budget for 2009/10, inclusive of the Logistics Base and the support account, was currently estimated at $8.2 billion. Compared with the total approved budget of $7.3 billion for 2008/09, which included additional resources approved by the General Assembly at the first part of the resumed sixty-third session for the United Nations Mission in the Sudan (UNMIS), the United Nations Mission in the Central African Republic and Chad (MINURCAT) and the financing of support for the African Union Mission in Somalia (AMISOM), it represented an increase of $0.9 billion, primarily attributable to budget increases for the United Nations Organization Mission in the Democratic Republic of the Congo (MONUC), the African Union-United Nations Hybrid Operation in Darfur (UNAMID) and MINURCAT, partially offset by reduced resource requirements for the United Nations Interim Administration Mission in Kosovo (UNMIK) and the absence of provisions for the United Nations Mission in Ethiopia and Eritrea (UNMEE) owing to the termination of that Mission's mandate as of 31 July 2008. Information on the proposed budget levels for all peacekeeping operations, the Logistics Base and the support account for 2009/10 was contained in the note by the Secretary-General (A/C.5/63/24). Pursuant to General Assembly resolution 63/250, the proposed resource requirements included additional resources for international staff salaries, offset in part by the elimination of requirements for mission subsistence allowance.

27. The Secretary-General's report (A/63/696) contained examples of the efficiency gains, amounting to $34.65 million, that were expected to be derived from improvements in the logistical and administrative support provided to the missions, as well as examples of initiatives to be implemented in 2009/10 that would affect the use of resources. Detailed descriptions were included in the budget proposals for 2009/10 for all missions. Information on the proposed requirements for 2009/10 by peacekeeping component and the main factors for variance in resource requirements was also provided in the Secretary-General's report.

28. The General Assembly was invited to take note of the action taken in response to General Assembly resolution 61/276 and to take note of ongoing and proposed management initiatives as well as the efforts taken to strengthen inter-mission coordination in the administrative and logistical aspects of field operations.

29. Introducing the Secretary-General's updated report on the review of the methodology for rates of reimbursement to troop-contributing countries (A/63/697), he said that the report confirmed the proposals made in the Secretary-General's earlier

report (A/60/725 and Add.1), which had not been considered by the General Assembly, and included a proposal to increase the recreational leave allowance for members of the military contingents and formed police units from 7 to 15 days per six-month period. The General Assembly was invited to approve the proposed methodology for the rates of reimbursement, including the proposed questionnaire; the proposed rate of exchange reference date for the conversion of collected cost data from national currencies to United States dollars; the conduct of the first survey in 2009 and proposed periodicity thereafter; the proposed field questionnaires to collect data on the daily allowance for troops; and the increase in recreational leave allowance for members of the military contingents and formed police units from 7 to 15 days.

30. **Ms. Malcorra** (Under-Secretary-General for Field Support) said that, as the increased demand for, and cost of, peacekeeping was set against a background of worldwide economic recession, peacekeeping resources should be managed more globally, rather than on a mission-by-mission basis. Savings could be made in the area of operational costs, which currently absorbed 40 per cent of the total peacekeeping resources.

31. By approving the measures proposed by the Secretary-General in his report on national professional officers (A/62/762), the General Assembly would help to reduce the chronically high vacancy rate for national officers in peacekeeping missions, and thus help to strengthen national capacity and development. The report on the progress of training in peacekeeping (A/63/680), based on a comprehensive training needs assessment, highlighted the scale of training needs. Given the limited resources available, training should focus on priority cross-cutting issues, and dissemination of knowledge should be maximized by developing training standards and guidance for use by training partners, including Member States.

32. Eliminating a number of steps from the processing of death and disability claims, a matter addressed in the related reports of the Secretary-General (A/62/805 and A/63/550), would further reduce claim-processing time and would ensure equal treatment for all uniformed personnel deployed in field missions. In his report on welfare and recreation needs of all categories of personnel and detailed implications (A/63/675 and Corr.1), the Secretary-General invited the Assembly to take note of the steps already implemented to improve current practices and to approve the establishment of minimum welfare and recreation standards.

33. The Organization remained committed to addressing misconduct by peacekeeping personnel. As explained in the report on special measures for protection from sexual exploitation and sexual abuse (A/63/720), the Departments of Peacekeeping Operations and Field Support, and countries contributing troops and police, had taken positive and important countermeasures. While the number of allegations of such misconduct had declined over three successive years, it was unfortunate that the number of allegations of the most egregious misconduct, such as sex with minors and rape, appeared not to have declined in 2008.

34. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee, at its 2009 winter session, had once again faced pressure to consider a large number of issues unconnected with its usual peacekeeping-related agenda. Those issues disrupted its work and could be more coherently addressed in the context of the regular budget. The separate consideration of peacekeeping matters should be enforced, reverting to the schedule envisaged by the General Assembly in its resolution 49/233 A, which had altered the cycle of peacekeeping financing.

35. The perennial problem of delays in the consideration of proposed peacekeeping budgets could only be addressed by involving the Secretariat, the Advisory Committee, the Fifth Committee and the General Assembly. The Advisory Committee undertook to re-examine its working methods, and appealed for better synchronization between its own meetings and those of the Fifth Committee. While the Advisory Committee welcomed the improvements described in the report of the Secretary-General on action taken to improve the timely submission of documents for the Fifth Committee (A/63/735), it was still being forced to wait for information regarding some peacekeeping missions. It was unreasonable for the preparation of peacekeeping budgets to begin in July of one year and only finish in March or April of the following year, particularly given the long experience of the Secretariat in preparing such budgets and the significant staff resources devoted to the process. In future, all the documentation necessary for the consideration of the financing of peacekeeping

operations should be available by the time the Advisory Committee began its peacekeeping session in late January or early February of each year.

36. With regard to financial management, the Advisory Committee, recalling the requests it had received to consider approving the use of commitment authority to finance peacekeeping activities, with assessment of the amount concerned, said that routine recourse to that financing mechanism departed from good budget practice and discipline. The use of commitment authority should be restricted to providing urgent financing for the start-up of a new mission or the expansion of an existing mission, before establishing a detailed budget or organizational structure. Assessment should instead follow the normal procedure, in which the General Assembly first considered a complete and fully justified budget proposal and approved an appropriation.

37. With regard to civilian personnel issues, the Advisory Committee noted that General Assembly resolution 63/250 on human resources management would have far-reaching effects, placing staff in peacekeeping operations on an equal footing with those at headquarters duty stations and therefore helping to develop a flexible global workforce and to address long-standing recruitment and retention problems. In the meantime, the Advisory Committee suggested enforcing a minimum period of assignment as a means of reducing the current high turnover of peacekeeping personnel. Successful implementation of the new human resources talent management system would require coordination between the departments involved.

38. Having been informed of the number of human resources posts envisaged in connection with peacekeeping, the Advisory Committee requested the inclusion in the next overview report of a breakdown of the total number of such staff by function and mission, along with details of their duties and workload indicators and output. It also recommended that the Secretary-General should inform the Assembly, at the second part of its resumed sixty-fourth session, of the basis used to establish staffing needs for peacekeeping operations and of the results of an analysis undertaken to determine which functions should be provided for each mission and which would be better performed centrally. As the situation on the ground often precluded disarmament, demobilization and reintegration activities during the early stages of a mission, the Advisory Committee recommended that the vacancy factor for staff requested for those functions should be increased in some cases.

39. With regard to operational costs, the Advisory Committee, having noted significantly greater expenditure on air transport, expressed concern at the apparently low level of utilization of aircraft and at the current patchwork of contracts for such services. Such lack of uniformity limited opportunities for exploiting aggregation of demand. Moreover, the Secretary-General had not yet responded to consultants' findings on the impact of the new costing structure for air operations contracts.

40. The Advisory Committee recommended that the General Assembly should request the Secretary-General to report on air operations at the second part of its resumed sixty-fourth session, and that the Secretariat should base budgetary assumptions for fuel costs for 2009/10 on the average fuel cost for the first quarter of 2009, except in the case of UNMIS. Having been informed that a consultancy had been engaged to compare both turnkey and in-house models for the supply of fuel, the Advisory Committee expected the next overview report to indicate progress reflecting experience gained in that regard. Furthermore, as fuel costs were not taken into account when awarding contracts for vehicles and aircraft, the Advisory Committee was concerned that fuel-inefficient vehicles and aircraft might be used, resulting in higher overall costs for the Organization. That issue should be addressed in the budget submissions for 2010/11.

41. With regard to facilities and infrastructure, having examined the estimated cost of prefabricated buildings for 2009/10, the Advisory Committee believed that locally available material and building techniques might be better suited to local conditions, be more cost-effective and contribute to the local economy. It therefore recommended that, when planning a peacekeeping mission, the Secretary-General should actively consider using local contractors and material rather than modular, prefabricated units. The Secretariat should continue to explore all options to reduce procurement costs, increase local procurement and improve opportunities for vendors from developing countries and countries with economies in transition. The long-overdue report on procurement requested by the General Assembly in its resolution 61/246 on procurement reform should be completed rapidly.

42. The Advisory Committee recommended requesting the Secretary-General to report to the General Assembly at the resumed sixty-fourth session on the use of Entebbe as a regional logistics hub, the possibility of expanding Entebbe-based services and the feasibility of applying a similar model to other regions. It also recommended requesting the Secretary-General to report to the General Assembly at the same session after reviewing the multiple methods of coordination and cooperation with the African Union, with a view to rationalizing them.

43. With regard to information and communication technology projects, the Advisory Committee was concerned at the potential for proliferation of systems relating to financial and human resources, possibly leading to incompatible information systems, inefficiency and duplication of effort. It urged the Department of Management to work closely with the Chief Information Technology Officer to ensure appropriate alignment of new ICT initiatives with the ICT strategy of the Organization and the future enterprise resource planning system.

44. Turning to the reports of the Secretary-General on cross-cutting peacekeeping-related issues, she said that, as the report on training in peacekeeping (A/63/680) had failed to provide a comprehensive picture of training priorities, costs, effectiveness or services to Member States, and therefore did not meet expectations, the Advisory Committee recommended requesting the Secretary-General to report on the matter to the General Assembly at its resumed sixty-fourth session.

45. With regard to death and disability compensation (A/62/805 and Corr.1 and A/63/550), the Advisory Committee took the view that compensation claims should be settled within three months of submission in the case of death and within a reasonable amount of time to be determined in the case of disability. It recommended against a uniform $50,000 as compensation for death for all categories of personnel, as it represented the lowest range of the current award and had not been updated since the 1990s. If the General Assembly decided to update the award, inflation should be taken into account. The Advisory Committee recommended that the Secretary-General should revisit the issue and submit a new report to the General Assembly at its sixty-fourth session.

46. With respect to the report on the methodology for rates of reimbursement to troop-contributing countries (A/63/697), the Advisory Committee requested that the General Assembly should be provided with a mock-up of the application of the formula proposed, in order to facilitate its consideration of that important issue.

47. **Ms. Ahlenius** (Under-Secretary-General for Oversight Services), introducing the report of the Office of Internal Oversight Services on peacekeeping operations (A/63/302 (Part II)), stressed its selective nature. In particular, it only touched on the comprehensive review of the use of extraordinary measures in the African Union-United Nations Hybrid Operation in Darfur, the report on the audit of the Secretariat's structure for managing and sustaining peacekeeping operations pursuant to General Assembly resolution 61/279, and the programme evaluation of the United Nations Operation in Côte d'Ivoire (UNOCI), the first such evaluation of a peacekeeping mission. In the interest of transparency, all OIOS reports were available to Member States upon request.

48. Oversight results continued to be classified in seven risk categories — strategy, governance, compliance, financial, operational, human resources and information — with risk being defined as an event or action that would adversely affect the ability of the United Nations to achieve its organizational objectives and execute its strategies successfully. As noted repeatedly in the past, substantial deficiencies in internal control, including a lack of standard operating procedures, poor planning and inadequate management and record-keeping, had exposed the Organization to unnecessary risk and in some cases had facilitated mismanagement and misuse of resources. The establishment and exercise of proper internal controls was a core responsibility of management, which needed to be able to rely for that purpose on a formal internal control framework; such a framework was currently lacking.

49. **Mr. Abdelmannan** (Sudan), speaking on behalf of the Group of 77 and China, said that, while cross-cutting resolutions could serve as an important policy tool, providing the Organization with comprehensive guidance on issues common to its peacekeeping missions, decisions on resources and staffing for individual operations should be mission-specific. The Group of 77 and China was concerned that some of the Advisory Committee's recommendations would result in budget cuts to all missions. Cross-cutting was not an

exercise in cutting costs; it should focus solely on policy issues.

50. The report of the Secretary-General on the financing of peacekeeping operations (A/63/696), while it left room for improvement, was a source of valuable information and also served as a useful means of taking stock of the implementation of General Assembly resolution 61/276 and previous cross-cutting resolutions. It was questionable, however, whether the Assembly needed to provide overall policy direction and guidelines for peacekeeping operations on an annual basis, since that did not provide enough time to assess implementation. The Secretariat must better plan the preparation of peacekeeping budgets so as to allow sufficient time for a proper review by the Advisory Committee and the Fifth Committee. The late submission of reports undermined their work, which was also impaired by the maintenance of the same time frame to process and analyse considerably larger amounts of information. The recent increase in the size and complexity of missions required extended schedules.

51. The high vacancy rates in peacekeeping missions were also a concern whose root causes must be addressed. General Assembly resolution 63/250 offered prospects of improvement in that regard: the Secretary-General should implement its provisions as a matter of urgency and make further improvements in the human resources regime, while ensuring strict accountability for the implementation of all relevant Assembly resolutions.

52. The recruitment of national staff offered a means of overcoming the problem. It was particularly worrying that, according to the Advisory Committee, some 50 per cent of applications for positions in peacekeeping operations in the previous year had not been reviewed, owing to a lack of resources. Furthermore, in the interests of equitable geographical distribution and gender balance, recruitment efforts should pay due attention to female candidates from developing countries.

53. Quick-impact projects made a major contribution to the success of peacekeeping missions and should not be constrained by artificial deadlines; their extension and the amount of resources available for them should be closely linked to the situation on the ground and the specificities of each mission.

54. The Group of 77 and China also believed that results-based budgeting called for the adoption of coherent mandates, backed by the necessary resources, and that the Secretary-General should take appropriate steps to ensure the gradual introduction of results-based management, which would improve budget implementation in practice and the accountability of programme managers. The Group supported a zero-tolerance policy with regard to sexual exploitation and abuse and regretted that troop- and police-contributing countries had not been represented in the Working Group on Victim Assistance.

55. He noted with appreciation the extended use of the Entebbe base, whose role could be further enhanced, including for training and equipment inspection, and which might also serve as a full logistic base for the Organization. Cooperation between the United Nations and the African Union should be strengthened in the areas of peace and development; however, the Advisory Committee's proposal to rationalize the Organization's current support structure for the African Union could have a negative impact on the relationship.

56. The Group of 77 and China remained attached to the improvement of procurement opportunities for vendors from developing countries and countries in transition; the Group regretted that the report of the Secretary-General did not identify the obstacles to such improvement and that a comprehensive report on procurement governance had not yet been submitted. Moreover, increased local procurement could stimulate the economic recovery of the countries concerned and provide considerable savings for the Organization.

57. **Ms. Krahulcová** (Czech Republic), speaking on behalf of the European Union, the candidate countries Croatia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process country Montenegro; and, in addition, Republic of Moldova and Ukraine, said that, in the current economic crisis, it was more than ever necessary to strive for efficiency in the priority area of peacekeeping. Coherent planning and management of missions could help to limit the trend towards significant underspending, as reflected in the high level of unencumbered balances. The budgets of individual missions offered potential for savings; synergies between missions operating in the same region might usefully be further explored by the Secretariat and due

consideration should be given to the possibility of a more integrated approach.

58. Priority should be given to reaching agreement on cross-cutting issues, which the European Union regretted had not been achieved over the previous year; there were many such issues on the current agenda. Lastly, on the issue of closed missions, the practice of using the resources left to make up for the lack of cash resulting from late payment of assessed contributions was not acceptable: such unspent funds should be returned to Member States as early as possible.

59. **Mr. Poulin** (Canada), speaking also on behalf of Australia and New Zealand, expressed concern about recurrent overbudgeting in peacekeeping, particularly since Member States were again being requested to increase their contributions substantially. Overbudgeting for peacekeeping, averaging 12 per cent in recent years, led to over-assessment of Member States, encouraged unnecessary spending and reduced confidence in the Organization's management of public funds.

60. The three delegations supported the Advisory Committee's recommendation to streamline the peacekeeping budget preparation process, which should be reviewed comprehensively with a view to achieving optimal division of labour between field missions. They likewise supported the inclusion of a more detailed justification of operational costs, the lack of which prevented the Committee from effectively exercising its oversight role in relation to an average of 40 per cent of mission budgets.

61. Recognizing the importance of ensuring the efficiency and cost-effectiveness of air operations at a time of a significant increase in their cost, the three delegations looked forward to the comprehensive report on the subject requested by the Advisory Committee and would similarly welcome reports on other major operational costs such as fuel management and infrastructure.

62. The three delegations supported the thrust of the Secretary-General's proposal to address the welfare and recreation needs of all categories of personnel and looked forward to receiving more information about its financial implications; they invited him to raise awareness of that issue among field managers. They also supported his request for the regularization of all conduct and discipline positions in the field, which should not continue to be financed through general temporary assistance. Lastly, they welcomed the review of the field support structure, which should enable an optimal balance to be found between global services, regional delivery hubs, centres of excellence and in-mission capabilities.

63. **Mr. Yamada** (Japan) said the 16 per cent increase in the amount of resources requested for peacekeeping was unacceptable in the current financial crisis. Past levels of unencumbered balances suggested that peacekeeping missions could achieve the same results with fewer resources. It would have been useful if the overview report of the Secretary-General had shown the trend in unencumbered balances.

64. It was important to raise awareness of managerial responsibility and accountability for peacekeeping operations, having due regard to the findings of the Board of Auditors. It was regrettable that those findings had not resulted in more accurate budget documents. Efforts needed to be made to identify the root causes of persistent problems and to hold managers accountable. A further concern was the silence of the Organization's Financial Rules and Regulations on a number of matters relating to peacekeeping operations, such as the redeployment of resources between military personnel, civilian personnel and operational requirements. His delegation wished the record of redeployments contained in annex II to the Advisory Committee's report on the financing of peacekeeping operations (A/63/746) to be reported to the General Assembly in future overview reports. As for the use of commitment authority with assessment, it should be based on a prior examination of the situation on the ground and should be on the understanding that sufficient information on financing the missions would be provided to the General Assembly at the earliest opportunity.

65. His delegation attached particular importance to greater mobility of staff between Headquarters and the field and to proper performance management. Due attention must be given to the financial implications of efforts to meet that challenge, which should include a coherent training system. In that connection, he drew the Committee's attention to the decision of the Office of Human Resources Management to suspend the national competitive recruitment examination in 2010, on the ground that it took too much time to administer and to place successful candidates. That decision was contrary to General Assembly resolution 63/250, which reaffirmed the value of the examination as a means of

recruiting candidates for P-2 posts subject to geographical distribution and thereby reducing non-representation and underrepresentation in the Secretariat. His delegation wished to have a detailed explanation of the reasons for that decision.

66. His delegation would join in the search for ways of further enhancing the efficiency and effectiveness of peacekeeping operations, in particular through measures to meet the challenge of increasing fuel and food prices, improvements in the effectiveness of air services procurement, and the establishment of integrated fleet management, as well as in other areas covered in the Advisory Committee's report but not addressed by the Secretary-General.

67. **Mr. Shin Boo-nam** (Republic of Korea) said that peacekeeping operations had shown extraordinary growth in recent years in terms of both size and complexity. Over the past three years, six peacekeeping missions had been launched. During 2009/10, 120 countries were expected to contribute some 120,000 military and police personnel to 16 peacekeeping missions with an estimated budget of over $8.2 billion, a threefold increase from six years previously and over three times the level of the regular budget.

68. Enhancing the effectiveness and efficiency of peacekeeping operations missions was a matter of urgency and his delegation welcomed the Secretariat's efforts in that area, including the recently launched New Horizon Study. At a time of increased expenditure on measures to promote economic recovery, Member States might be more cautious about increasing contributions to United Nations activities, but the role of the Organization in securing peace and security should not diminish merely on account of the adverse financial climate.

69. All phases, especially the pre- and post-implementation phases, of peacekeeping operations should be improved in order to rationalize long-term costs. Strengthening the Department of Political Affairs would help to strengthen the capacity to prevent conflicts. His delegation welcomed the progress made by the Peacebuilding Commission towards laying the foundation for post-conflict recovery and sustained peace.

70. The overall budget implementation rate of 92.7 per cent for 2007/08 was 3 per cent lower than for the previous financial period and had resulted in an unspent balance of almost $500 million. In the case of some operations, the unspent portion of total appropriations exceeded 17 per cent. There was a clear trend of overbudgeting in peacekeeping operations.

71. As a result, accountability had been substantially undermined. Appropriate action should be taken to reduce the level of unspent expenditure, including a careful scrutiny of peacekeeping budget proposals for 2009/10 in relation to deployment, vacancy rates and operational costs.

72. Despite the notable progress made in many areas, the Office of Internal Oversight Services had shown that further efforts were needed in relation to the seven risk categories it had identified in peacekeeping activities. A formal internal framework was needed to ensure consistent and systematic risk management.

73. With regard to budget presentation and results-based budgeting, efficiency gains should be reported in individual performance reports and expected accomplishments and indicators of achievement should be more specifically defined. Peacekeeping budgets should show how the lessons learned from the previous performance report had been incorporated.

74. The new human resources management framework should be implemented as agreed, effective 1 July 2009, in order to enhance the morale of peacekeeping personnel. His Government gave priority to strengthening its contribution to peacekeeping operations and was currently facilitating the deployment of troops to peacekeeping missions.

75. **Mr. Traystman** (United States of America) paid his deepest respects to those United Nations peacekeepers who had lost their lives in the line of duty and commended all peacekeeping personnel for their hard work and commitment. The recent surge in peacekeeping operations had placed a strain on the Organization and its staff had responded with professionalism and dedication.

76. At a time of rapidly escalating expenditure, and especially in the current financial climate, every effort should be made to ensure the effective, efficient and transparent use of resources. A record number of military and civilian peacekeepers were deployed in the field. The Committee would examine budgets for missions totalling almost $8.5 billion, four times the level of the regular budget. No peacekeeping operation could be immune to the impact of the current global

financial crisis, although no component of mandate implementation should be at risk.

77. There was a persistent pattern of overbudgeting in peacekeeping missions. The budgeting methodology clearly resulted in underexpenditures unrelated to the inherent uncertainties of deployment schedules and operational requirements. While peacekeeping budgets were expected to yield savings, reductions were needed in all peacekeeping budgets.

78. He recognized the important work of the conduct and discipline teams, and of OIOS and other United Nations personnel, both at Headquarters and in the field, in implementing the Organization's rules and regulations on conduct and discipline, including the three-pronged strategy to address sexual exploitation and abuse. His delegation applauded the decrease in the overall number of sexual abuse allegations, while regretting that the number of allegations of more egregious acts of abuse had not decreased. The zero tolerance policy must be strictly observed.

79. **Mr. Chumakov** (Russian Federation) said that his country, as a troop-contributing country, attached great importance to the payment of disability and death claims. There should be no bureaucratic complications or delays when personnel had been maimed or had perished in the line of duty. He hoped that the Committee's discussions would lead to balanced recommendations.

80. There had been some success with peacekeeping training, which required more funding. The Secretariat should make greater use of existing resources for that purpose, reflecting best practice and taking into account the capacities of Member States.

81. More detailed information was needed on a number of questions, including the results of the OIOS survey of UNAMID procurement, the timely submission of documents, the effectiveness of the Department of Field Support, the Secretariat's piecemeal submission of peacekeeping requirements and resource allocations for missions.

82. **Ms. Samayoa-Recari** (Guatemala), speaking on behalf of the Group of 77 and China, welcomed the fact that the question of rates of reimbursement to troop-contributing countries would be treated as a separate issue, in view of its complexity.

83. In 2000, the General Assembly had requested the Secretariat to prepare a methodology for reimbursement of troop costs and a questionnaire to be submitted to troop-contributing countries on the basis of certain elements and guidelines. Many changes had taken place since then, with the creation of complex missions, the possibility of additional missions, and an increase in the overall budget to some $8 billion. Yet the Secretariat was still making the same proposals. There were many questions to be answered in that regard.

84. Member States needed to do some rethinking in relation to the reimbursement of troop-contributing countries. Otherwise, there was the risk of creating or expanding missions without their participation, as had occurred in recent months.

85. Finally, the Group would welcome approval of the recreational leave allowance. It was not a question of increasing the number of days, but of ensuring that the entire 15 days of the recreational leave allowance were paid, as opposed to the 7 days that were paid at present.

86. **Mr. Abdelmannan** (Sudan), also speaking on behalf of the Group of 77 and China, stressed the importance of being clear about the issues that should be dealt with in the context of the cross-cutting resolution. That resolution should consider policy matters that were cross-cutting in nature, while other issues should be examined separately.

Agenda item 121: Pattern of conferences (*continued*) (A/63/32/Add.1, A/63/735, A/63/746 and A/63/830)

87. **Mr. Ma Xuesong** (Department for General Assembly and Conference Management) introduced the report of the Secretary-General on action taken to improve the timely submission of documents for the Fifth Committee (A/63/735). The report should be read in conjunction with the updated information circulated that day. The Committee on Conferences had already taken up the report at its organizational session on 7 April 2009 (A/63/32/Add.1).

88. The report's three main sections addressed the mandates of the General Assembly contained in resolution 63/248. Significant progress had been made compared with the past two years in the timely submission and issuance of reports prepared by the Secretariat. Of 53 slotted documents, 51 had been issued, and the other two would be issued soon. One unslotted, unplanned document mandated for the first part of the resumed session had not been submitted to

the Department for General Assembly and Conference Management for processing but would be accorded priority as soon as it was received. As for the corresponding reports of the Advisory Committee, 8 of the expected 21 reports had been submitted. They and the others still to be submitted would receive priority processing.

89. The interdepartmental task force had played an instrumental role in ensuring the earliest possible issuance dates for the reports. The task force would continue to function and, where necessary, a similar mechanism would be established in future to deal with the documentation issues of other intergovernmental bodies.

90. Peacekeeping budget and programme performance reports were exempt from the 8,500 word limit for documents originating in the Secretariat, which was evident from the excessive length of such reports. In 2009, for example, budget reports had averaged 24,000 words and performance reports over 12,000 words. Since their submission dates were often close to the dates for their consideration and in view of the high priority accorded to them, they often proved very disruptive to documentation processing and led to additional costs in overtime, which would be very difficult to continue under a constrained budget in 2010-2011.

91. **Ms. Kaudel** (Chairperson of the Committee on Conferences) introduced the report of the Committee on Conferences (A/63/32/Add.1), summarizing the discussions held at the organizational session of the Committee on Conferences on action taken to improve the timely submission of documents on peacekeeping financing.

92. The Committee on Conferences reiterated the importance of the timely issuance of documents and commended the efforts of the interdepartmental task force, as reflected in the improvement in the issuance of documents compared to the previous year. Of 54 slotted reports for the second part of the resumed session, 45 had already been issued, compared to 21 out of 48 for the corresponding period the previous year.

93. The Committee on Conferences welcomed the progress achieved by the task force, looked forward to further efforts by the task force to ensure the timely availability of documents, and requested the Secretary-General to include in his comprehensive report further information on the arrangements to handle the documentation of the Fifth Committee.

94. **The Chairman** drew the attention of the Committee to a letter dated 9 April 2009 from the Permanent Representative of the Philippines to the United Nations addressed to the Secretary-General (A/63/830).

95. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the comments of the Advisory Committee on the report of the Secretary-General on action taken to improve the timely submission of documents for the Fifth Committee were contained in paragraph 10 of the Advisory Committee's general report on the administrative and budgetary aspects of the financing of United Nations peacekeeping operations (A/63/746).

96. The Advisory Committee welcomed the efforts made to improve the documentation process for the winter peacekeeping session. The situation in 2009 had improved significantly in comparison to 2008, although documentation for a number of peacekeeping operations, in particular some of the larger missions, had been submitted late, and no account had been taken of the timing of the provision of supplementary information, which was not processed by the Department for General Assembly and Conference Management, but which the Advisory Committee required before it could take up a given peacekeeping operation.

97. As for the suggestion that the Advisory Committee should determine its priorities at an early stage, to facilitate document processing, she noted that the Advisory Committee, in consultation with the Peacekeeping Financing Division of the Office of Programme Planning, Budget and Accounts and the secretariat of the Fifth Committee, prepared a provisional programme of work before the peacekeeping session started and shared it with the Department for General Assembly and Conference Management. When the peacekeeping cycle had been decided upon in conjunction with the adoption of General Assembly resolution 49/233, it had been foreseen that all relevant documentation would be available to the Advisory Committee by the beginning of February, in order to ensure efficient coordination with the Fifth Committee. Long lead times were required to ensure the presence in the Committee of relevant Secretariat officials from the peacekeeping missions and to ensure that their visits to New York

could be combined with other matters so as to minimize expense.

98. In general, the Advisory Committee sought, every year, to start its consideration of peacekeeping operations with the report of the Board of Auditors and the overview report on peacekeeping operations. In 2009, both had been available in advance form early in the session. Following consideration of those reports, the Advisory Committee's priority was to take up the larger, more complex missions. Those were often the missions that provided the Committee with material for its cross-cutting report on peacekeeping operations, which the Fifth Committee took up early. Unfortunately, a number of the reports for the larger missions had only been available late in the current session. She noted that, when necessary, the Advisory Committee took up reports in an advance, unedited and untranslated form.

99. **Mr. Abdelmannan** (Sudan), speaking on behalf of the Group of 77 and China, reiterated the importance of the timely issuance of documents in the six official languages. The late submission, processing and issuance of documents in all six official languages had been a long-standing problem for the Fifth Committee. The Group had welcomed the proposal to convene an interdepartmental task force within the Secretariat to discuss that problem and recognized the work done by the task force thus far. It fully supported the institutionalization of the task force as a standing mechanism. The Department for General Assembly and Conference Management should continue to shepherd other Secretariat entities in the right direction and to continue to report on the status of documentation when requested to do so by the Committee on Conferences. The task force was one component of a multipronged approach to resolving the issue of late issuance of documents.

100. **Ms. Berlanga** (Mexico), speaking on behalf of the Rio Group, said that one issue requiring greater attention was the sessions of the Human Rights Council. If the Secretariat had not made the necessary arrangements for financing its activities, the Committee should know what the reasons were and whether any action should be taken by the Committee.

101. **Mr. Brant** (Brazil) said that his delegation was seriously concerned about the financial situation of the Human Rights Council, and in particular conference services support. The capacity of the Council to function properly and to discharge its mandate in an adequate manner was being impaired. Some of the questions put to the Department for General Assembly and Conference Management in April had not yet been answered.

The meeting rose at 1.05 p.m.

United Nations A/C.5/63/SR.43

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Chairman: Mr. Bródi ..... (Hungary)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Ms. McLurg

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The meeting was called to order at 10.20 a.m.

Agenda item 144: Financing of the United Nations peacekeeping forces in the Middle East

(a) United Nations Disengagement Observer Force (A/63/521, A/63/686 and Corr.1, A/63/746/Add.2)

Agenda item 146: Financing of the United Nations Mission in the Sudan (*continued*) (A/63/604, A/63/714 and A/63/746/Add.2)

Agenda item 148: Financing of the African Union-United Nations Hybrid Operation in Darfur (*continued*) (A/63/668, A/63/717 and A/63/746/Add.4)

1. **Mr. Yamazaki** (Controller), introducing the performance report on the budget of the United Nations Disengagement Observer Force (UNDOF) for the period from 1 July 2007 to 30 June 2008 (A/63/521), said that the General Assembly, in its resolution 61/287, had appropriated funding of $39,662,500 for the maintenance of the Force and that expenditure had amounted to $42,179,700, representing additional requirements of $2,517,200. The main causes of the variance were a significant increase in the price of fuel during the budget period; requirements for the payment of mission subsistence allowance to the Force staff officers, pursuant to General Assembly resolution 61/276; increased military personnel travel requirements owing to higher air charter costs; the acquisition of three light armoured patrol vehicles and conversion of two armoured personnel carriers to ambulances, to enhance the safety of mission personnel; and the implementation of two consecutive increases in the national staff salary scale. The General Assembly was invited to appropriate and assess an additional amount of $2,517,200 for the period from 1 July 2007 to 30 June 2008 and to decide how to treat other income for the period ended 30 June 2008 amounting to $2,076,200.

2. Introducing the report of the Secretary-General on the budget for UNDOF for the period from 1 July 2009 to 30 June 2010 (A/63/686), he said that the proposed budget of $45,369,600 for 2009/10 reflected a 0.8 per cent decrease relative to the funding of $45,726,000 appropriated by the General Assembly in its resolution 62/264 for the maintenance of the Force for the 2008/09 period. The main causes of the variance were lower requirements under facilities and infrastructure and ground transportation, owing to the decline in the price of diesel fuel, and a reduction in requirements for construction services. The General Assembly was invited to appropriate $45,369,600 to maintain the Force for the period from 1 July 2009 to 30 June 2010 and to assess that amount at a monthly rate of $3,780,800, should the Security Council decide to continue the Force's mandate.

3. Introducing the performance report on the budget of the United Nations Mission in the Sudan (UNMIS) for the period from 1 July 2007 to 30 June 2008 (A/63/604), he said that the General Assembly, in its resolution 61/289, had appropriated funding of $846,277,200 for the maintenance of the Mission and that expenditure had amounted to $820,459,500, leaving an unencumbered balance of $25,817,700, which represented an implementation rate of 96.9 per cent. The main causes of the variance were the partial execution and deferral of some planned construction projects, as the Mission had focused on priority projects to address critical operational requirements that had emerged; lower expenditure on air transportation, mainly attributable to cost-sharing arrangements with the African Union-United Nations Hybrid Operation in Darfur (UNAMID) and fewer hours flown than budgeted, owing to the transfer of operations in Darfur to UNAMID; and delays in the implementation of the Mission's disarmament, demobilization and reintegration programme. The General Assembly was invited to decide how to treat the unencumbered balance of $25,817,700 for the period from 1 July 2007 to 30 June 2008, as well as other income for the period ended 30 June 2008 amounting to $56,381,400.

4. Introducing the report of the Secretary-General on the budget for UNMIS for the period from 1 July 2009 to 30 June 2010 (A/63/714), he said that the proposed budget of $980,561,100 for 2009/10 reflected a 19.6 per cent increase relative to the funding of $820,720,600 appropriated by the General Assembly in its resolution 62/267 for the maintenance of the Mission for the 2008/09 period. The main causes of the variance were additional international staff requirements, pursuant to General Assembly resolution 63/250; the proposed increase in military personnel; the proposed establishment of 145 additional international posts, 451 national posts and 68 United Nations Volunteer positions; an expanded construction programme; and increased air transportation costs, mainly as a result of an increase in flight hours and guaranteed fleet costs. The General Assembly was

invited to appropriate $980,561,100 to maintain the Mission for the period from 1 July 2009 to 30 June 2010 and to assess that amount at a monthly rate of $81,713,425, should the Security Council decide to continue the Mission's mandate.

5. In its resolution 63/273, the General Assembly had approved an additional appropriation of $56,173,100 for the maintenance of the Mission for the 2008/09 period. The proposed budget for 2009/10 represented an increase of 12.6 per cent relative to the total approved resources of $876,893,700 for 2008/09.

6. Introducing the report of the Secretary-General on the budget for the African Union-United Nations Hybrid Operation in Darfur (UNAMID) for the period from 1 July 2009 to 30 June 2010 (A/63/717), he said that the proposed budget of $1,789,411,200 for 2009/10 reflected a 19.3 per cent increase relative to the funding of $1,499,710,000 appropriated by the General Assembly in its resolution 62/232 B for the maintenance of the Operation for the 2008/09 period. The main causes of the variance were the higher projected deployment of the Operation's uniformed and civilian personnel during the budget period and increased resource requirements for operational costs in the areas of air transportation, communications and information technology, medical services and special equipment to support the mandated operations of UNAMID. The General Assembly was invited to appropriate $1,789,411,200 to maintain the Operation for the period from 1 July 2009 to 30 June 2010; to assess $149,117,600 for the period from 1 to 31 July 2009; and to assess $1,640,293,600 at a monthly rate of $149,117,600, should the Security Council decide to continue the Operation's mandate.

7. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of the Advisory Committee relating to the financial performance report for the period from 1 July 2007 to 30 June 2008 and proposed budget for the period from 1 July 2009 to 30 June 2010 of UNDOF (A/63/746/Add. 2), said that the Advisory Committee had noted the expected over-expenditure for the period from 1 July 2007 to 30 June 2008. While it recognized the inherent risk of changes in the operational requirements of peacekeeping missions, major financial outlays should be better planned and forecast in order to prevent large variances between the amount appropriated and the amount spent.

8. The Advisory Committee supported the staffing proposals of the Secretary-General, particularly those made in response to Board of Auditors observations. However, it recommended that the proposed P-4 Civil Affairs Officer post should be established initially at the P-3 level, and that the proposed P-4 Administrative Assistant (Field Service) post should not be established at the current time.

9. The Advisory Committee noted the decrease in estimated requirements relating to operational costs for 2009/10 by comparison with costs for 2008/09. A further decrease of $30,800 would be achieved if its recommendation to base estimated fuel costs for 2009/10 on the average fuel cost for January-March 2009 was implemented.

10. The General Assembly was invited to appropriate and assess an additional amount of $2,517,200 for the period 1 July 2007 to 30 June 2008 and to credit to Member States, in a manner to be determined, other income and adjustments of $2,076,200. The Advisory Committee recommended that the General Assembly should appropriate $45,256,000 for the maintenance of the Force for the period 1 July 2009 to 30 June 2010 should the Security Council decide to extend its mandate.

11. Introducing the report of the Advisory Committee relating to the financial performance report for the period from 1 July 2007 to 30 June 2008 and the proposed budget of UNMIS for the period from 1 July 2009 to 30 June 2010 (A/63/746/Add.5), she expressed the Advisory Committee's view that the proposed budget for 2009/10 should have made a clearer connection between the Mission's complex operations, as recently realigned to fit the administrative and political composition of the Sudan, and its financial requirements.

12. While the Mission should be fully ready to support the scheduled disarmament, demobilization and reintegration activities, progress would depend on developments on the ground. The Advisory Committee therefore recommended that the vacancy factor for new international posts should be 75 per cent rather than the usual 50 per cent. Further staffing recommendations were contained in paragraphs 35 and 36 of its report. The uncertain progress of disarmament, demobilization and reintegration activities and the under-expenditure in previous years caused by delays in construction projects had led the Advisory Committee to

recommend a 5 per cent reduction in operational costs. The construction projects concerned should be completed rapidly as possible, as full mission subsistence allowances continued to be paid during the periods of construction delays.

13. The General Assembly was invited to credit to Member States, in a manner to be determined, the unencumbered balance of $25,817,700 for the period 1 July 2007 to 30 June 2008, as well as other income and adjustments of $56,381,400 for the same period. The Advisory Committee recommended that the General Assembly should appropriate $951,656,000 for the maintenance of the Mission for the period 1 July 2009 to 30 June 2010 should the Security Council decide to extend its mandate.

14. **Ms. Ahlenius** (Under-Secretary-General for Internal Oversight Services), introducing the report of the Office of Internal Oversight Services (OIOS) on its audit of the use of extraordinary measures for UNAMID (A/63/668), said that she had written to the Secretary-General on 23 November 2007, following his decision to authorize flexibility in the application of administrative policies and procedures in connection with the Mission, as described in his letter dated 2 October 2007 to the President of the General Assembly (A/62/379). In her letter, she had pointed out that delegating officials remained accountable for any irregularities or excessive or inappropriate use of resources resulting from an exemption from the Organization's rules, and that they should establish appropriate internal controls and monitoring.

15. Rule 101.1 of the Financial Regulations and Rules of the United Nations indicated the manner in which authority and responsibility for the implementation of the Regulations and Rules were delegated by the Secretary-General to the Under-Secretary-General for Management, who was in turn able to further delegate authority for specified aspects of the Regulations and Rules. OIOS had found, however, that delegation of authority from the Department of Management to the Department of Field Support lacked the mechanisms necessary to assure the Secretary-General that the extraordinary measures he had approved would be used properly and effectively.

16. Overall, the impact of the extraordinary measures on the deployment of the Mission had been limited and the identification, authorization and implementation of those measures had shown weaknesses. Some of the measures had been unnecessary to achieving the Mission's operational goals, while others had been implemented but had not contributed significantly to expediting the deployment of personnel.

17. One of the extraordinary measures authorized by the Secretary-General, namely the use of non-competitive, single-source contracts, had resulted in the award of a $250 million contract to Pacific Architects and Engineers for multi-function logistics services. A report on the OIOS audit of the management of that contract, which had attracted negative publicity and damaged the Organization's reputation, would shortly be finalized and made available to Member States.

18. In the meantime, the current audit of extraordinary measures had found that the Headquarters Committee on Contracts had been placed under time pressure, thereby preventing it from fulfilling its responsibilities effectively, that the Procurement Division had not benchmarked the contract against similar contracts, thereby exposing the Organization to the risk of excessive prices, and that the Department of Field Support had failed to conduct a cost-benefit analysis to ensure value for money. In addition, contract-management posts had remained vacant, unreasonable fees had been charged and expensive equipment had been ordered but never used.

19. While OIOS had been surprised at not having had the opportunity to learn of the content of the report of the Secretary-General on its audit findings (A/63/668/Add.1) before publication, the content differed little from the comments OIOS had already received from the Department of Management and incorporated into its report. It remained unconvinced that lessons had been learned and accountability for shortcomings accepted.

20. While the report of the Secretary-General on the OIOS audit findings referred to two invitations to OIOS to attend meetings with the Procurement Division in order to advise on potential risks in the procurement and administration of the contract, OIOS did not consider its presence at those meetings to be a substitute for managerial responsibility, a view reflected in the minutes of one of the meetings.

21. The report of the Secretary-General had challenged the view of OIOS that payment of prices considered disproportionate by comparison with the prices in existing systems contracts had resulted in

$7 million of expenditure. It claimed instead that the amount was only $3 million. However, OIOS confirmed its original assessment.

22. Finally, OIOS had been unable to verify the Secretariat's assertion that negotiations to reduce overheads and administrative charges had led to over $16 million in cost reductions. It appeared that that saving had been a result of fees not paid because of work not performed, rather than a genuine reduction in charges.

23. The OIOS recommendations related to proper governance mechanisms; a formal risk assessment to establish what circumstances justified extraordinary measures; accountability for the failure to properly plan for the provision of multi-function logistics services and for weaknesses in procurement and administration of the contract; and amendments to the letter of assist with the Government of Spain for contract management services.

24. **Ms. Hurtz-Soyka** (Director of Policy Coordination and Oversight Service in the Office of the Under-Secretary-General for Management), introducing the note by the Secretary-General (A/63/668/Add.1) on the report of OIOS on its audit of the use of extraordinary measures for UNAMID, emphasized that extreme caution had been exercised in the authorization and use of flexibility measures in the application of administrative rules and that all activities implemented under the extraordinary measures had complied with United Nations regulations, rules and procedures and had contributed to the better functioning of the Operation. The major risk faced by the Secretariat in implementing the Security Council mandate for UNAMID had been the risk that failure to provide extensive facilities on the ground would cause the Operation itself to fail. That risk had been deemed more onerous than the risks entailed by the use of a single-source contract without competitive bidding. The Organization had chosen to mitigate various risks related to supply chain disruption by building in redundancy and planning for "worst case scenarios".

25. The estimated financial implications of the deficiencies described in the annex to the OIOS report (A/63/668) had not been accurately reflected, as shown in the annex to the note by the Secretary-General (A/63/668/Add.1).

26. **Ms. Pataca** (Angola), speaking on behalf of the Group of African States, said that the Group concurred with the expected accomplishments set out in the Secretary-General's report on the budget for UNMIS for 2009/10 (A/63/714), which would lead to the fulfilment within the lifetime of the Mission of the Security Council's overall objective of national reconciliation, lasting peace and stability and a prosperous and united Sudan, with respect for human rights and the protection of all citizens. The Group was mindful of the need to provide adequate resources to all peacekeeping missions and recalled that it had been necessary to appropriate an additional amount for the maintenance of UNMIS for 2008/09. It was therefore concerned that the Advisory Committee's recommendations would entail a reduction in the proposed budget for UNMIS for 2009/10. Moreover, given the critical importance of disarmament, demobilization and reintegration activities in post-conflict situations, it was not convinced by the Advisory Committee's recommendation that an arbitrary 75 per cent vacancy factor should be applied for new international posts related to those activities.

27. The Group noted with satisfaction that the proposed budget for UNAMID for 2009/10 had been submitted earlier than in previous years, thereby allowing sufficient time for consideration of the Secretary-General's proposals. The scale and hybrid nature of the Operation justified full allocation of the resource levels proposed by the Secretary-General. The Group therefore noted with concern the Advisory Committee's arbitrary recommendation for an increase in delayed deployment factors and a consequent 5 per cent reduction in air transportation requirements for 2009/10. While mindful of the Operation's challenging mandate and deployment backlog, it was confident that UNAMID would reach full strength during 2009/10.

28. Although efforts to achieve efficiency gains were to be encouraged, the Group stressed that inter-mission cooperation arrangements involving UNAMID, UNMIS and the United Nations Mission in the Central African Republic and Chad (MINURCAT) must not hinder the effective functioning of the three missions, which had distinctive roles, mandates and responsibilities. In that connection, the possibility of giving the Entebbe base standing capacity for the provision of regular services to the three missions in the same area of operations should be explored with a view to filling any gaps that currently existed.

29. The Group noted with concern the findings contained in the OIOS report (A/63/668) and

emphasized that a rigorous planning process would have obviated the need for extraordinary measures. It would like to discuss the mechanisms currently in place to assess the impact of such measures and their current status of implementation, particularly in the area of multifunctional logistics services. With regard to the payment of death and disability compensation, the Group concurred fully with the Advisory Committee's recommendation that all outstanding claims should be settled expeditiously and looked forward to receiving updated information from the Secretariat during informal consultations. Lastly, the Group reiterated the need for the United Nations to continue working closely with all stakeholders in peacekeeping operations, including in planning and policy formulation. The strengthening of United Nations-African Union cooperation with regard to UNAMID and other missions in the region was particularly important.

30. **Mr. Diab** (Syrian Arab Republic) said that UNDOF had been established over 30 years earlier pursuant to Security Council resolution 350 (1974) and in response to the Israeli occupation of the Syrian Golan. Despite repeated calls for a total withdrawal to the 1967 borders, the occupation was still ongoing, and his delegation therefore maintained that, in accordance with the relevant General Assembly resolutions, the funding of UNDOF should be borne by the occupying Power.

31. His delegation had no objection to the proposed establishment of a post of Civil Affairs Officer at the P-4 level in the Office of the Force Commander to provide a civilian interface between the Force and the local population, on condition that that interface would take place through the office of the Syrian delegation to the Israel-Syria Mixed Armistice Commission (ISMAC) and with the consent of the relevant security services. He stressed that there had been no prior agreement by his country to the establishment of that post. He also expressed concern that in its report, the Advisory Committee had repeated the request it had made in 2008 to the Secretary-General to carry out a review of the financing and administrative support arrangements of the Observer Groups with UNDOF and UNIFIL, even though the General Assembly had not acted on that recommendation and therefore had not reflected it in its resolutions 62/264 and 62/265.

32. The Syrian Arab Republic continued to appreciate the work being done by UNDOF and the Force's cooperation with the Syrian authorities and wished to express its gratitude to the troop-contributing countries.

33. **Mr. Abdelmannan** (Sudan) said that the upcoming general elections would mark a crucial stage of implementation of the Comprehensive Peace Agreement, and he hoped that UNMIS would provide full technical and logistical support for the democratic process. He noted that the budget for UNMIS for the period from 1 July 2009 to 30 June 2010 envisioned a supplementary request relating specifically to election support being made as the situation became clearer. Now that preparations for the election had been completed, he expected the Mission to make that request.

34. He shared the Advisory Committee's hope that the Board of Auditors' recommendations addressed to Mission management and its counterparts at the Secretariat would be brought to the attention of management at the highest level. He was concerned, however, that the performance report on the budget of UNMIS for the period from 1 July 2007 to 30 June 2008 continued to list actual achievements under the category of expected achievements, and achievements of the Government of the Sudan under the category of achievements of the Mission. While that approach might justify funding requests, it distorted the true picture of the Mission's accomplishments. He also questioned the performance report's recommendation in favour of the approval of proposed disarmament, demobilization and reintegration-related posts with the application of a 75 per cent vacancy factor, rather than the 50 per cent normally applied for new international posts, and noted that the one million dollars allocated to quick-impact projects would have very little impact in a country of 40 million people.

35. Despite the achievement of UNAMID, the now infamous single-source contract had cast a shadow over that recommendation. As the report of OIOS on its audit of the use of extraordinary measures for UNAMID had shown, the contract had not been properly monitored, and there had been excessive charges for equipment and services that had not been delivered. He continued to hope that the Secretariat would act on the OIOS recommendations. UNAMID continued to face shortfalls in personnel and equipment, including aircraft, helicopters and personnel carriers, and he called on Member States to step in with support to fill those gaps. His Government

would do all it could to assist both UNMIS and UNAMID and facilitate the informal discussions on their budgets.

36. **Mr. Brant** (Brazil) said that his delegation supported the views expressed by the representative of Angola on behalf of the Group of African States. Speaking on agenda item 146, he stressed the importance of providing UNMIS with the necessary resources to fulfil its mandate. In view of the additional appropriation for the Mission that had been required in 2008/09, he expressed concern that the Advisory Committee's recommendation to reduce the amount appropriated for the maintenance of UNMIS for the 2009/10 period would unduly constrain the Mission's activities and could result in a similar requirement for additional appropriation in that period. Furthermore, his delegation was not convinced by the Advisory Committee's recommendation that a 75 per cent vacancy factor should be applied for new international posts in connection with disarmament, demobilization and reintegration activities, since such activities were critical for the promotion of peace, national reconciliation and development. Lastly, it considered that the current level of one million dollars for quick-impact projects, which the Secretary-General proposed to maintain for 2009/10, was insufficient to provide an adequate level of support in critical areas, such as health, education, public infrastructure and social services.

The meeting rose at 11.45 a.m.

United Nations A/C.5/63/SR.44

General Assembly
Sixty-third session

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Fifth Committee

Summary record of the 44th meeting
Held at Headquarters, New York, on Friday, 15 May 2009 at 10 a.m.

Chairman: Mr. Bródi ..... (Hungary)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Ms. McLurg

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Agenda item 120: Improving the financial situation of the United Nations (*continued*)

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09-33856 (E)

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The meeting was called to order at 10.20 a.m.

Agenda item 120: Improving the financial situation of the United Nations (*continued*)

1. **Ms. Kane** (Under-Secretary-General for Management), accompanying her statement with a computerized slide presentation, said that she would focus on four main financial indicators: assessments issued, unpaid assessed contributions, available cash resources and debt to Member States. The overall picture was mixed, although there had been some improvement in some areas.

2. Turning first to the regular budget, she noted that levels of assessments and payments had both been lower in 2008 than in 2007, by $174 million and $96 million, respectively. Unpaid assessed contributions had decreased to $417 million as at 31 December 2008, compared to $428 million a year earlier. By the end of 2008, 146 Member States had paid their regular budget assessments in full, six more than in 2007. She urged the remaining Member States to pay their assessed contributions for 2008 in full and as soon as possible. Of the total of $417 million outstanding as at 31 December 2008, 94 per cent had been owed by a single Member State, 3 per cent by two other Member States and 3 per cent by the remaining 43 Member States. A total of 76 Member States had paid their regular budget assessments in full by 7 May 2009, 10 fewer than by 7 May 2008. Payments received after 7 May 2009 had resulted in the addition of Guatemala, Indonesia, Kuwait and Thailand to the list of Member States that had paid their regular budget assessments in full.

3. The financial position of the regular budget as at 7 May 2009 as compared to 7 May 2008 reflected the net result of both higher assessments and higher payments received. Unpaid assessed contributions had been $216 million higher on 7 May 2009 than a year earlier. Although payments received by 7 May 2009 had been $392 million higher than on 7 May 2008, there had also been an increase of $619 million in the regular budget assessment for 2009, mainly because of the increase in the provision for political missions. Over 94 per cent of the $1.5 billion outstanding on 7 May 2009 was accounted for by nine countries. Since that date, Brazil had made a payment of $12.2 million, thereby reducing the amount accordingly.

4. Cash resources for the regular budget comprised the General Fund, into which assessed contributions were paid, the Working Capital Fund, authorized periodically by the General Assembly, and the Special Account. As at 30 April 2009, the total cash resources available had stood at $1,184 million, compared to $411 million on 31 December 2008, which reflected a net increase in payments over expenditures in the first quarter of the year. The final cash position would largely depend on the action taken by the nine countries that had not yet paid their regular budget assessments.

5. The unpredictable nature of the demand for peacekeeping activities made it difficult to predict financial outcomes. In addition, the financial period for peacekeeping ran from 1 July to 30 June rather than from 1 January to 31 December; assessments were issued separately for each operation; and, since assessments could only be issued through the mandate period approved by the Security Council for each mission, they were issued for different periods throughout the year. All those factors complicated a comparison between the financial situation of peacekeeping operations and that of the regular budget and the International Tribunals.

6. The total amount outstanding for peacekeeping operations at the end of 2008 had been just under $2.9 billion, which was $165 million more than the amount of $2.7 billion outstanding at the end of 2007. That had been mainly due to the expansion in peacekeeping operations and the related impact on assessments during the period. Of the amount outstanding at the end of 2008, more than two thirds had been owed by two Member States.

7. Due to the unpredictable amount and timing of peacekeeping assessments, it could be more difficult for Member States to keep fully current with their payments. Special thanks were therefore due to the 25 Member States that had paid all their peacekeeping assessments as at 31 December 2008, namely, Australia, Austria, Azerbaijan, Canada, Croatia, Czech Republic, Denmark, Finland, Germany, Ireland, Italy, Kazakhstan, Kuwait, Monaco, New Zealand, Norway, Poland, Republic of Moldova, Singapore, Slovak Republic, Slovenia, Solomon Islands, Sweden, Switzerland and Thailand.

8. Although the cash available for peacekeeping at the end of 2008 had been over $2.7 billion, that amount

had been divided between the separate accounts maintained for each peacekeeping operation and there were restrictions on its use. The General Assembly had specified that no peacekeeping mission should be financed by borrowing from other active missions, and the terms of reference of the Peacekeeping Reserve Fund restricted its use to new operations and the expansion of existing operations. At the end of 2008, cash in the accounts of active missions had totalled $2.105 billion, with $504 million available for closed missions and $143 million in the Peacekeeping Reserve Fund.

9. The financial position of peacekeeping operations as at 7 May 2009 showed a significant improvement over the situation at the end of 2008. Against new assessments of over $1.4 billion on that date, contributions of over $2.6 billion had been received, reducing the amount outstanding from over $2.8 billion to under $1.8 billion. Some 60 per cent of the amount outstanding for peacekeeping operations as at 7 May 2009 had been owed by two Member States. Peacekeeping assessments due on 7 May 2009 had been fully paid by 20 Member States, namely, Austria, Azerbaijan, Canada, Croatia, Czech Republic, Denmark, Finland, Germany, Ireland, Italy, Monaco, New Zealand, Norway, Republic of Moldova, Singapore, Slovak Republic, Sweden, Switzerland, Tajikistan and Uganda, which deserved special thanks. Payments received since 7 May 2009 had resulted in the addition of Australia to their number and included a contribution of $192.6 million from Japan.

10. It had been estimated on the basis of projected receipts and disbursements and of the proposed retention of cash balances in closed peacekeeping operations that the total balance available in peacekeeping accounts at the end of 2009 would amount to about $2.3 billion, with $1.7 billion in the accounts of active missions, $449 million in the accounts of closed missions and $152 million in the Peacekeeping Reserve Fund.

11. Of the $449 million expected to be available in the accounts of closed missions at the end of 2009, $219 million had been set aside for payment of outstanding liabilities, such as troop and equipment payments, leaving only $230 million freely available for possible cross-borrowing for other accounts, including the regular budget, International Tribunals and active peacekeeping operations. Cross-borrowing from the accounts of closed peacekeeping operations had been required in 2008 for seven active operations, namely the United Nations Mission for the Referendum in Western Sahara (MINURSO), the United Nations Stabilization Mission in Haiti (MINUSTAH), the United Nations Peacekeeping Force in Cyprus (UNFICYP), the United Nations Interim Administration Mission in Kosovo (UNMIK), the United Nations Mission in Liberia (UNMIL), the United Nations Operation in Côte d'Ivoire (UNOCI) and the United Nations Observer Mission in Georgia (UNOMIG).

12. As at 31 December 2008, the amount owed to Member States for troops/formed-police units and contingent-owned equipment had been $431 million, compared to $689 million at the beginning of the year. An increase in new obligations was projected, mainly in the light of increased troop deployment in the African Union-United Nations Hybrid Operation in Darfur (UNAMID), and the deployment of a military contingent in the United Nations Mission in the Central African Republic and Chad (MINURCAT) and of an additional military contingent and formed police units in the United Nations Organization Mission in the Democratic Republic of the Congo (MONUC). The increases had been partly offset by the termination of the mandate of the United Nations Mission in Ethiopia and Eritrea (UNMEE), the downsizing of formed police units in UNMIK and a reduction in the authorized military strength of UNMIL.

13. By the end of 2009 it was projected that the debt to Member States would increase to $765 million, taking into account new obligations of $1.9 billion and projected payments of just under $1.6 billion. As at 7 May 2009, the amount owed had been $919 million, of which about one half had been owed to seven Member States. Projected payments for 2009 also depended on the timely finalization of memorandums of understanding: at the end of April 2009, 29 out of 271 memorandums of understanding for peacekeeping operations had yet to be finalized. The actual level of payments would naturally depend on Member States meeting their financial obligations to the United Nations.

14. The financial position of the International Criminal Tribunal for Rwanda and the International Tribunal for the Former Yugoslavia had improved in 2009, with their outstanding assessments falling from $34 million at the end of 2007 to $26 million at the end of 2008. Since more than 80 per cent of that amount

was owed by two Member States, a great deal would depend on the future actions of those two Member States. At the end of 2008, 105 Member States had paid their assessed contributions in full for both Tribunals, matching the level at the end of 2007, and she urged the remaining Member States to follow their example. The situation had worsened in 2009, since by 7 May 2009, 18 fewer Member States than by the same date one year previously had paid their assessed contributions to both Tribunals in full. Unpaid assessments as at 7 May 2009 had amounted to $158 million, which was higher than the previous year. Nevertheless, on the basis of current projections, the Tribunals should end 2009 with positive cash balances. Once again, however, the final outcome would depend on Member States continuing to honour their financial obligations to the Tribunals.

15. Recalling that the total budget for the capital master plan of $1.8 billion had been approved by the General Assembly in December 2006, she said that 12 Member States had chosen to make a one-time payment, while 180 Member States had opted for the multi-year payment plan. As at 7 May 2009, 185 Member States had made payments totalling $1 billion, with $139 million still outstanding. A number of Member States that had not opted for one-time payment had nevertheless made advance payments totalling $118 million.

16. The General Assembly had also approved the establishment of a working capital reserve of $45 million, to be funded by advances from Member States and apportioned at the rates of assessment for 2007. As at 7 May 2009, 163 Member States had made payments for the working capital reserve, which had totalled $44.9 million. As at that date, 84 Member States had fully paid their capital master plan assessments, 101 Member States had made partial payments and seven had not yet made any payments, leaving an amount outstanding of $139 million.

17. In conclusion, she paid special tribute to the 16 Member States that had paid in full all assessments due and payable as at 7 May 2009, namely, Austria, Azerbaijan, Canada, Croatia, Czech Republic, Finland, Ireland, Italy, Monaco, New Zealand, Republic of Moldova, Singapore, Slovak Republic, Switzerland, Tajikistan and Uganda. Since that date, payments received had resulted in the addition of Australia to their number. While there had been signs of progress in the financial position of the Organization in 2008, a negative trend had emerged in 2009 in the number of Member States meeting their financial obligations to the Organization in full. As at 7 May 2009, the number of fully paid-up Member States had been below the levels of a year previously across all funds. It was true that there had been a reduction in unpaid peacekeeping assessments as at that date, but a significant level of outstanding assessments remained, with a few countries accounting for the bulk of those amounts. Clearly, the final outcome for 2009 would largely depend on the action taken by those particular Member States. The financial health of the Organization depended, as always, on Member States meeting their financial obligations in full and on time.

18. **The Chairman** said that the statement by the Under-Secretary-General would be issued as an addendum to the report of the Secretary-General on improving the financial situation of the United Nations (A/63/514/Add.1).

The meeting rose at 10.50 a.m.

United Nations A/C.5/63/SR.45

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Fifth Committee

Summary record of the 45th meeting
Held at Headquarters, New York, on Monday, 18 May 2009, at 10 a.m.

Chairman: Mr. Bródi ..... (Hungary)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Ms. McLurg

Contents

Agenda item 132: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (*continued*)

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09-34073 (E)

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The meeting was called to order at 10.15 a.m.

Agenda item 132: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (*continued*) (A/63/698 and Add.1, A/63/702 and Corr.1, A/63/703, A/63/767 and Corr.1, A/63/837 and A/63/841)

1. **Mr. Yamazaki** (Controller) introduced the performance report on the budget of the support account for peacekeeping operations for the period from 1 July 2007 to 30 June 2008 (A/63/698 and Add.1), which presented results-based budgeting frameworks for each relevant department and office, with expected accomplishments and planned and actual indicators of achievement. The General Assembly had appropriated funding of $230,509,900 for the support account, and expenditure had amounted to $222,450,800, leaving an unencumbered balance of $8,059,100, representing an implementation rate of 96.4 per cent.

2. One cause of the variance was the unspent balance in respect of post resources, attributable to recruitment delays and higher-than-budgeted vacancy rates in the Department of Peacekeeping Operations and the Department of Management and to the suspension of recruitment of resident investigators in the Office of Internal Oversight Services. Another cause was the requirement for additional non-post resources for the provision of conference services for meetings of the Working Group on Contingent-Owned Equipment in February 2008 and for after-service health insurance payments to retirees. However, the additional requirements had been partially offset by the underutilization of resources intended to equip office space for new staff.

3. The General Assembly was invited to apply the unencumbered balance for the period from 1 July 2007 to 30 June 2008 to the support account requirements for the period from 1 July 2009 to 30 June 2010 and to apply $6,997,200, representing interest income, other income and cancellation of prior-period obligations, to the support account requirements for the period from 1 July 2009 to 30 June 2010.

4. Introducing the report of the Secretary-General on the proposed budget for the support account for peacekeeping operations for the period from 1 July 2009 to 30 June 2010 (A/63/767 and Corr.1), which amounted to $324,447,100, he said that the sum concerned was $42,045,200, or 14.9 per cent, higher than the resources approved for 2008/09. The proposed budget reflected a 20.2-per-cent increase in post requirements and a 6.3-per-cent increase in non-post requirements compared to the previous period. The reasons for the variances were given in chapters I B and IV of the report.

5. The proposed budget included resource requirements resulting from the establishment of the Office of Information and Communications Technology and the new system of administration of justice. While it also included funds for the ongoing development of enterprise information technology projects begun in 2008/09, it did not include funds for the enterprise resource planning project itself, pending the General Assembly's consideration at the sixty-fourth session of the report requested in its resolution 63/262.

6. With regard to the evolution of the support account, the Secretariat acknowledged the conclusion of the external management consultants requested to examine the issue that increased requirements for the support account had been driven by increased mission complexity and mission personnel. While recognizing the merit of the consultants' proposed new conceptual staffing model, it believed that such a change would require further effort and resources, and that its existing approach complied with the wishes of the General Assembly and the Advisory Committee recommendations endorsed by the General Assembly.

7. However, in view of the recommendations made by the Advisory Committee in its report on the 2006/07 financial performance report and proposed 2008/09 budget for the support account (A/62/855), which had subsequently been endorsed by the General Assembly in its resolution 62/250, the Secretariat intended to re-justify in the proposed support account budget for 2010/11 all the staffing requirements relating to the account.

8. In addition to applying the unencumbered balance and interest income, other income and cancellation of prior-period obligations to the 2009/10 financial period, the General Assembly was invited to approve the support account requirements of $324,447,100 for 2009/10; to apply the $7,322,600 excess of the authorized level of the Peacekeeping Reserve Fund in respect of the financial period ended 30 June 2008 to the support account requirements for 2009/10; to apply

the $62,800 excess of the appropriation for the support account requirements for 2006/07 to the support account requirements for 2009/10; and to prorate the balance of $302,005,400 among the budgets of the active peacekeeping operations for the 2009/10 financial period.

9. **Mr. Le Roy** (Under-Secretary-General for Peacekeeping Operations) said that the report of the Secretary-General on strengthening the capacity of the United Nations to manage and sustain peacekeeping operations (A/63/702 and Corr.1), prepared in response to the request made by the General Assembly in its resolution 61/279, described how the restructuring of the Department of Peacekeeping Operations, particularly in the context of the "Peace operations 2010" five-year reform agenda, had been implemented. Growing demand and decreasing resources had led the Member States and the Secretariat departments concerned to ask fundamental questions about what peacekeeping operations could and could not be expected to achieve.

10. While the new structures and capacities approved by the General Assembly in resolution 61/279 had been in place by November 2008, staff movements had left some key posts vacant for the second time, particularly in the Department of Field Support. The strengthening of the Office of Military Affairs approved by the General Assembly in its resolution 62/250 would be completed within six months.

11. The Department of Peacekeeping Operations and the Department of Field Support had collaborated seamlessly on their interlinked mandates and shared goals, thus belying fears that the new structure might have a negative impact on unity of command and integration of effort. The Secretariat had benefited from the establishment of the Department of Field Support, with its exclusive focus on providing technical expertise and support for mission implementation, and from the fact that the Under-Secretary-General for Field Support reported directly to the Under-Secretary-General for Peacekeeping Operations regarding all matters related to such missions.

12. Similarly, unity of command between Headquarters and the field had been maintained through the delegation of authority to Special Representatives of the Secretary-General and heads of mission for all mission components, who reported to the Secretary-General through the Under-Secretary-General for Peacekeeping Operations. The two departments' policy on authority, command and control, issued in March 2008, had clarified arrangements for uniformed components of field operations and outlined structural relationships in field missions.

13. The benefits of the new structure had been consolidated by the establishment of the Office of Rule of Law and Security Institutions, by improvements in planning, personnel and procurement and by institutional learning and development arrangements. The two departments had paid attention to the observations and recommendations of the Office of Internal Oversight Services and the Advisory Committee and were developing benchmarks for the next phase of their activities. Working closely with the Department of Political Affairs, they had drafted plans setting out their functions and organization, and division of labour, to be issued as Secretary-General's bulletins.

14. The seven integrated operational teams established to provide field missions with guidance and assistance on cross-cutting issues had undergone three evaluations that had confirmed the need for flexible management by the Office of Operations in order to ensure that the teams accommodated changing mission needs and delivered the fullest support. An integrated operational team working group had developed guiding principles and a division-of-labour matrix including lines of accountability. A follow-up review would be conducted in June 2009.

15. **The Chairman** drew the Committee's attention to the report of the Independent Audit Advisory Committee on the budget for the Office of Internal Oversight Services under the support account for peacekeeping operations for the period from 1 July 2009 to 30 June 2010 (A/63/703).

16. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the Advisory Committee's report (A/63/841) on the three reports of the Secretary-General just introduced, said she recognized that there had not been enough time since the General Assembly had approved the restructuring of the Department of Peacekeeping Operations and the Department of Field Support to fully implement and assess such an in-depth organizational reform. The Advisory Committee

nevertheless noted that the significant strategic and operational benefits of the restructuring had not been clearly brought out in the Secretary-General's report (A/63/702); she hoped they would be in future reports. Furthermore, benchmarks should be developed for the objectives set out and the success of the restructuring should continue to be measured against those objectives.

17. The Advisory Committee welcomed the measures taken by the Department of Field Support to improve support functions and noted that some elements of the related strategy had been reflected in the peacekeeping budgets and support account budget for 2009/10. With regard to operational guidance and support, it looked forward to the upcoming assessment of the functioning and impact of integrated operational teams. On the issue of training, the Advisory Committee had made several recommendations in its general report on administrative and budgetary aspects of peacekeeping operations (A/63/746).

18. The Advisory Committee encouraged the Secretary-General to continue to improve the planning, guidance, management and support of peacekeeping operations, while keeping current working structures under review, in order to achieve further streamlining. The Secretary-General should be requested to continue to ensure a clear chain of command, accountability and coordination. Structural changes should allow for consolidation of past actions and the benefits of experience. The Advisory Committee recommended that the General Assembly should request the Secretary-General to submit to it, at its resumed sixty-fifth session, a report substantiating the strategic and operational benefits of the restructuring, reform and business processes.

19. Turning to the performance report (A/63/698 and Add.1), she said that the Advisory Committee had emphasized the need for a specific account of actual achievements, as described in the results-based budgeting framework, and of actual expenditure, ensuring that budgetary allocations were adhered to.

20. With regard to the proposed cost estimates for the period from 1 July 2009 to 30 June 2010, one of the Advisory Committee's recommendations, contained in chapter III of its report, was that 106 of the 182 new posts proposed by the Secretary-General should be approved. The Advisory Committee also recommended the application for continuing posts of a vacancy rate of 12 per cent for Professional posts and 7 per cent for General Service and related posts, rather than the proposed 7 per cent and 5.2 per cent. It further recommended that the vacancy rates for new general temporary assistance positions should be adjusted to 25 per cent for Professional posts and 12.5 per cent for General Service and related posts and that the delayed deployment factor for new posts should be set at 65 per cent and 50 per cent respectively for the two categories.

21. In the Department of Peacekeeping Operations, the Advisory Committee recommended acceptance of 18 new posts for the Police Division, instead of the 26 proposed by the Secretary-General. The Secretary-General had also proposed to expand and move the Standing Police Capacity to the United Nations Logistics Base at Brindisi. The Advisory Committee had not been provided with sufficient information to make a recommendation on that issue.

22. In the Department of Field Support, the Advisory Committee, aiming at a more realistic and gradual approach than that proposed, recommended that the general temporary assistance funding requested should be reduced from the proposed 30 to 14 positions and that additional capacity should be provided through temporary redeployment.

23. In the Office of Human Resources Management, the Advisory Committee recommended that the proposed amount of $3 million for general temporary assistance, which represented a 387-per-cent increase over the resources approved for 2008/09, mostly for support of the talent management system, should be reduced by $1 million and that the Office should be authorized to use the resources at its own discretion, taking into account the relative priority of the various projects. In addition, the Advisory Committee recommended against approval of most of the requests for general temporary assistance made for the Facilities and Commercial Services Division under the support account budget, since many of the functions concerned related to the needs of the Organization as a whole and should be provided centrally through the Office of Central Support Services under the regular budget.

24. In the Office of Internal Oversight Services (OIOS), the Advisory Committee recommended acceptance of the Secretary-General's proposals for internal audit, including two additional posts, and of two of the three additional posts requested to

strengthen the inspection and evaluation capacity. It also agreed with the restructuring proposals for the Investigations Division, which addressed the concerns of both the Advisory Committee and the Independent Audit Advisory Committee.

25. The Advisory Committee recommended acceptance of the staffing resources proposed for investigations: 43 posts to be distributed among the three regional hubs, 10 general temporary assistance positions and one post to be allocated to the three largest missions. Having been informed that OIOS intended to service the eastern part of the Democratic Republic of the Congo from Nairobi, the Advisory Committee recommended that the capacity provided should continue to be monitored.

26. In the Office of Information and Communications Technology, the Advisory Committee did not consider it reasonable to request additional resources so soon after the adoption of major decisions on the related strategy, structures and programmes. For the time being, the Advisory Committee recommended against the establishment of the additional posts proposed.

27. The Advisory Committee had learned that seven general temporary assistance positions had been inadvertently excluded from the support account resources proposed for the Office of the Chief Information Technology Officer for 2009/10. The Advisory Committee recommended that the related requirements of approximately $1 million should be absorbed, as proposed, and be included in the performance report for the support account for the period 2009/10. The Advisory Committee also recommended a 5-per-cent reduction in the amount of $14 million proposed for information technology, to be used by the Office of Information and Communications Technology at its own discretion, taking into account the relative priority of the various projects.

28. In conclusion, she said that the Advisory Committee recommended approval of an overall amount of $304,629,300 for the support account for the period 1 July 2009 to 30 June 2010, entailing a reduction of $19,817,800 in the overall resources proposed by the Secretary-General.

29. **Ms. Ahlenius** (Under-Secretary-General for Internal Oversight Services), introducing the OIOS report on the audit of the Secretariat's structure for managing and sustaining peacekeeping operations (A/63/837), said that it was still too early to assess the effectiveness and efficiency of the recently established Department of Field Support. While the Secretary-General had established mechanisms to provide executive direction to the Secretariat departments involved in peacekeeping operations, the Secretariat had yet to develop the necessary governance and accountability mechanisms for the new structure. In particular, the Secretary-General's compact should be extended to heads of mission; the Concept of Operations of the Department of Peacekeeping Operations and the Support Plan of the Department of Field Support should be formalized; the roles and accountabilities of the Department of Field Support and each mission's support component should be clearly defined; and clear criteria and transparent decision-making mechanisms should be developed for assigning lead responsibility for special political missions to either the Department of Peacekeeping Operations or the Department of Political Affairs.

30. In the light of its findings, OIOS had made 10 recommendations aimed at strengthening governance and accountability mechanisms. Those recommendations, set out in chapter IX of its report, had all been accepted by those concerned.

31. **Mr. Abdelmannan** (Sudan), speaking on behalf of the Group of 77 and China, said that, while the establishment of the Department of Field Support had led to some improvement in the support provided to peacekeeping operations, the full benefits of the restructuring remained uncertain. Structural change was not a substitute for managerial improvement. The Secretary-General must continue to make efforts to ensure unity of command, establish a clear division of labour between the Departments of Peacekeeping Operations and Field Support and reduce the "silo mentality" of individual departments. The Group concurred with the Advisory Committee that benchmarks should be developed for the objectives set out in paragraphs 16 and 17 of the Secretary-General's report (A/63/702).

32. While acknowledging that peacekeeping missions had grown larger and more complex and required an adequate level of support, the Group shared the concern of the Board of Auditors that there was no defined formula to show the relationship between the level and complexity of peacekeeping operations and the level of the support account. It regretted that no comprehensive analysis of the evolution of that

account had been submitted to the General Assembly, as requested in Assembly resolution 60/268.

33. He stressed the importance attached by the Group to the proper representation within the two Departments of troop-contributing countries, most of which were developing countries. The Group was also concerned about the continuing low proportion of women from developing countries in the Secretariat, especially at senior levels. While agreeing on the importance of stability in the personnel structure, the Group urged the prompt recruitment and appointment of staff to key posts.

34. With regard to the OIOS proposal for the restructuring of the Investigations Division, the concerns expressed by the Group of 77 and China at the first part of the General Assembly's resumed sixty-second session remained valid, since that proposal entailed a fundamental change in direction for the operations of OIOS. The proposed restructuring must not be seen purely as an administrative cost-saving exercise in view of the increased caseload of financial, economic and administrative cases, due to the incorporation of Procurement Task Force cases into the Investigations Division.

35. It was also important for OIOS to maintain a transparent, predictable, accountable and objective investigative capacity that fully respected the due process rights of staff. Moreover, the proposed restructuring had implications for the peacekeeping contingents in field missions where OIOS had resident investigators, since the revised model memorandum of understanding with troop-contributing countries was likely to reduce the role of OIOS in investigations of misconduct by members of contingents. The Group would welcome clarification of the current implementation of that model and of how it would be affected by the proposed restructuring.

36. **Mr. Yamada** (Japan) said that he concurred with previous speakers that there had not yet been enough time to achieve the objectives of the restructuring of the Departments of Peacekeeping Operations and Field Support. His delegation considered that, in the absence of a clear distinction between peacekeeping missions and special political missions, a logical next step would be to consolidate the duplicate functions of the two Departments and streamline outdated supporting structures in response to developments on the ground. In addition, the need for an integrated approach, as embodied in the integrated operational teams, would be better served by open-minded collaboration among the offices concerned, as well as the Department of Field Support. The follow-up assessment on the functioning and impact of integrated operational teams was therefore awaited with interest.

37. Noting that the proposed 15-per-cent increase in the support account for 2009/10 was paralleled by the increase in mission budgets and that there was no defined formula showing the relationship between the complexity of peacekeeping operations and the level of the support account, he said that the size of the backstop function should be determined on the basis of the experience of the departments concerned rather than of studies by external consultants. The utmost prudence should be exercised in determining the optimal size of the support account; efforts should be made to recruit and appoint staff promptly and to make full use of approved posts rather than seeking new ones. Requests for additional resources for the support account should be accompanied by clear statements of the goals and objectives sought.

38. **Mr. Solle** (Norway) said that the significant increase in the deployment of police officers in peacekeeping operations had not been matched by a strengthening of the Police Division in the Department of Peacekeeping Operations. That had resulted in an overstretching of the Division's work capacity, insufficient Headquarters support for deployed personnel and insufficient training and recruitment at both management and staff levels, with an attendant risk to the safety of United Nations personnel in the field. His delegation was concerned that the number of additional posts proposed for the Police Division, initially set at 44 following the Police Division review, then reduced by the Secretariat to 26, then reduced by the Advisory Committee to 18, would not be enough. The Committee should maintain the number of 26 new posts for the Police Division, as suggested by the Secretariat.

39. **Mr. Prokhorov** (Russian Federation) expressed concern at the increase in the proposed 2009/10 support account budget (A/63/767 and Corr.1) relative to the level approved for 2008/09, and at the request for new posts, particularly in view of the unencumbered balance and post vacancy rates indicated in the performance report on the support account budget for 2007/08 (A/63/698). He wondered why new posts were being requested if existing posts

remained unfilled, and shared the Advisory Committee's view that requests for new posts were often not sufficiently justified, that functions regularly overlapped and that budget resources were not being used rationally.

40. Further sources of concern were the provision in the proposed 2009/10 support account budget of $1 million for consultancy services to advise on United Nations Rule of Law Indicators initiatives, a function that could be better fulfilled using internal capacity, and of some $3 million for talent management support, substantially exceeding the equivalent allocation for 2008/09. His delegation would like further information on the use of resources to fund general temporary assistance positions converted to posts.

41. **Mr. Ruiz Massieu** (Mexico) said that he would like to request the distribution to the Member States of the external management consultants' report on the evolution of the support account. He echoed the regret voiced by other delegations that the Secretary-General had not yet provided the Member States with a comprehensive report on the matter, sharing the concerns of the Board of Auditors and the Advisory Committee at the lack of a rational connection between the increase in the size and complexity of peacekeeping missions and the increase in the support account.

42. **Mr. Abelian** (Secretary of the Committee) said that, as the external management consultants' report on the evolution of the support account was a substantial document, it would be made available to the members of the Committee in electronic form by the following day.

The meeting rose at 11.45 a.m.

United Nations A/C.5/63/SR.46

General Assembly
Sixty-third session

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Fifth Committee

Summary record of the 46th meeting
Held at Headquarters, New York, on Wednesday, 20 May 2009, at 10 a.m.

Chairman: Mr. Bródi ..... (Hungary)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Ms. McLurg

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09-34354 (E)

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The meeting was called to order at 10.15 a.m.

Agenda item 135: Financing of the United Nations Peacekeeping Force in Cyprus (A/63/536, A/63/693 and A/63/746/Add.9)

Agenda item 140: Financing of the United Nations Observer Mission in Georgia (A/63/517, A/63/684 and A/63/746/Add.6)

Agenda item 143: Financing of the United Nations Mission in Liberia (A/63/588 and Corr.1, A/63/734 and A/63/746/Add.8)

1. **Ms. Vendat** (Director, Peacekeeping Financing Division), introducing the performance report on the budget of the United Nations Peacekeeping Force in Cyprus (UNFICYP) for the period from 1 July 2007 to 30 June 2008 (A/63/536), said that the General Assembly had appropriated funding of $50,233,900, which included voluntary contributions from the Government of Cyprus ($16,709,966) and the Government of Greece ($6,500,000), for the maintenance of the Force. Expenditure had been $50,232,000, resulting in an unencumbered balance of $1,900, which represented near full utilization of the approved resources. The General Assembly was invited to decide how to treat the unencumbered balance of $1,900 for the period from 1 July 2007 to 30 June 2008, as well as other income for the period ended 30 June 2008 amounting to $1,308,400.

2. Introducing the report of the Secretary-General on the budget for UNFICYP for the period from 1 July 2009 to 30 June 2010 (A/63/693), she said that the proposed budget of $55,996,200 for 2009/10 reflected a 2.1 per cent increase compared to the funding of $54,851,100 appropriated by the General Assembly for the maintenance of the Force for 2008/09. The main causes of the variance were additional requirements resulting from the proposed establishment of two additional international posts and additional requirements for military contingents, owing to the increased cost of rations. The General Assembly was invited to appropriate the amount of $55,996,200 for the maintenance of the Force for the period from 1 July 2009 to 30 June 2010, including $24,370,478 to be funded from voluntary contributions from the Government of Cyprus ($17,870,478) and the Government of Greece ($6,500,000), and to assess the balance of the appropriation ($31,625,722) at a monthly rate of $2,635,477, should the Security Council decide to continue the Force's mandate.

3. Introducing the performance report on the budget of the United Nations Observer Mission in Georgia (UNOMIG) for the period from 1 July 2007 to 30 June 2008 (A/63/517), she said that the General Assembly had appropriated funding of $35,009,800 for the maintenance of the Mission and that expenditure had amounted to $32,777,300, leaving an unencumbered balance of $2,232,500, which represented an implementation rate of 93.6 per cent. The main causes of the variance were higher actual vacancy rates for international and national staff, as a result of high staff turnover, and reduced expenditure under air transportation and communications. The General Assembly was invited to decide how to treat the unencumbered balance of $2,232,500 for the period from 1 July 2007 to 30 June 2008, as well as other income for the period ended 30 June 2008 amounting to $1,327,900.

4. Introducing the report of the Secretary-General on the budget for UNOMIG for the period from 1 July 2009 to 30 June 2010 (A/63/684), she said that the proposed budget of $38,838,500 for 2009/10 reflected a 12.6 per cent increase relative to the funding of $34,484,200 appropriated by the General Assembly for the maintenance of the Mission for 2008/09. The main causes of the variance were additional resources for salaries, including post adjustment, and common staff costs for international staff, pursuant to General Assembly resolution 63/250, offset in part by the elimination of requirements for mission subsistence allowance; the proposed establishment of 20 new national General Service posts and three United Nations Volunteer positions; and the revision of national salary scales as of 1 July 2008. The General Assembly was invited to appropriate the amount of $38,838,500 for the maintenance of the Mission for the period from 1 July 2009 to 30 June 2010 and to assess that amount at a monthly rate of $3,236,542, should the Security Council decide to continue the Mission's mandate.

5. Introducing the performance report on the budget of the United Nations Mission in Liberia (UNMIL) for the period from 1 July 2007 to 30 June 2008 (A/63/588 and Corr.1), she said that the General Assembly had appropriated funding of $688,330,600 for the maintenance of the Mission for 2007/08 and that expenditure had amounted to $649,469,100, leaving an

unencumbered balance of $38,861,500, which represented an implementation rate of 94.4 per cent. The main causes of the variance were the phased repatriation of 2,469 military personnel between October 2007 and June 2008; a higher average vacancy rate for international staff; lower self-sustainment requirements under facilities and infrastructure, communications and special equipment, owing to the drawdown of military personnel; and fewer than budgeted hours flown by helicopters under air transportation. The General Assembly was invited to decide how to treat the unencumbered balance of $38,861,500 with respect to the period from 1 July 2007 to 30 June 2008, as well as other income for the period ended 30 June 2008 amounting to $15,295,600.

6. Introducing the report of the Secretary-General on the budget for UNMIL for the period from 1 July 2009 to 30 June 2010 (A/63/734), she said that the proposed budget of $593,488,800 for 2009/10 reflected a 1.7 per cent decrease relative to the total approved resources of $603,760,800 for the 2008/09 period. The main cause of the variance was the phased drawdown of military contingent personnel from 10,232 to 8,693. The General Assembly was invited to appropriate the amount of $593,436,000 for the maintenance of the Mission for the period from 1 July 2009 to 30 June 2010 and to assess that amount at a monthly rate of $49,453,000, should the Security Council decide to continue the Mission's mandate.

7. **Ms. McLurg** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the Advisory Committee's report on the financing of UNFICYP (A/63/746/Add.9), said that the Advisory Committee had been informed that, based on the terms of a new ration contract, the proposed budget for military and civilian police personnel would be reduced by $717,400. The Advisory Committee recommended against the establishment of the new posts proposed by the Secretary-General, given that the Force was a long-standing peacekeeping mission whose scope of activity and budgetary requirements had remained relatively stable. The Advisory Committee also recommended calculating fuel requirements for 2009/10 on the basis of the average fuel cost for the first three months of 2009, which would entail a decrease of $196,991 in the proposed budget. Taking into account those reductions, the Advisory Committee recommended that the General Assembly should appropriate the amount of $54,686,100 for the maintenance of the Force for the period from 1 July 2009 to 30 June 2010.

8. Introducing the Advisory Committee's report on the financing of UNOMIG (A/63/746/Add.6), she said that, given the many challenges and uncertainties faced by the Mission and the Security Council's intention to outline the elements of a future United Nations presence in the region by 15 June 2009, the Advisory Committee was of the view that, should the Council decide to extend the Mission's mandate beyond 15 June 2009, the Secretary-General should be requested to submit a revised proposed budget for UNOMIG for 2009/10, reflecting the Council's decisions regarding the Mission's mandate and operations. Pending the submission of a revised budget, the Committee recommended that the level of the budget for 2009/10 should be maintained at the level of the appropriation of $34,484,200 approved for 2008/09. That recommendation in no way prejudged any position that the Advisory Committee might take on proposed staffing and non-staffing requirements for the Mission for 2009/10.

9. Introducing the Advisory Committee's report on the financing of UNMIL (A/63/746/Add.8), she said that the Advisory Committee's recommendation that fuel requirements for 2009/10 should be estimated on the basis of the average fuel cost for the period from January to March 2009 entailed a reduction of $18,638,300 in the proposed budget. Furthermore, the Advisory Committee noted that a progressive reduction in the number of flight hours required for rotary-wing aircraft had not been accompanied by a corresponding reduction in the number of rotary-wing aircraft employed by the Mission. The Advisory Committee therefore expected the Secretary-General, in implementing the budget for 2009/10, to take measures to align the number of such aircraft more closely with the number of flight hours required, and to indicate the results in the performance report.

10. **Ms. Pataca** (Angola), speaking on behalf of the Group of African States on agenda item 143, said that the Group welcomed the proposed budget for UNMIL for 2009/10, which reflected the resource requirements for that period. It was imperative that the Mission should be provided with the resources needed for it to carry out its operational work in the drawdown phase and to ensure lasting peace in Liberia.

11. The Group welcomed the proposed mission support initiatives in the areas of capacity-building, institutional development, strengthening of the rule of law and support for the Government. It commended the Mission for its efforts to ensure cost-effective delivery of training to a large number of participants and was pleased to note that, in keeping with the aims of capacity-building within Liberia, some 60 per cent of participants in the envisaged internal and external training programmes were in the national staff category. The Group agreed with the Secretary-General that quick-impact projects had played a key role in facilitating the execution of the UNMIL mandate over the years, bringing tangible benefits for the population at large as well as advancing the Liberian peace process. In view of the ongoing fragility of the situation in Liberia, particularly in the areas of rule of law and institution-building, it was particularly important to ensure that adequate resources were allocated to the implementation of such projects, in order to fill the gaps that still existed in strategic areas. Lastly, the Group trusted that the Secretariat would offer detailed explanations of the potential impact of any proposed resource reductions.

12. **Mr. Brant** (Brazil), also speaking on agenda item 143, said that his delegation supported the views expressed by the representative of Angola on behalf of the Group of African States. He stressed the importance of providing UNMIL with the necessary resources to fulfil its mandate, especially with regard to the implementation of quick-impact projects, which provided the population with tangible benefits in critical areas such as health, education, food security and the rule of law.

13. **Mr. Prokhorov** (Russian Federation), speaking on agenda item 140, said that some of the language used in the Secretary-General's report on the budget for UNOMIG for 2009/10 (A/63/684), in relation to both the title of the Mission and the assessment of the events of August 2008, needed to be adjusted. Firstly, with regard to the title, "United Nations Observer Mission in Georgia" did not reflect recent Security Council resolutions on the Georgian-Abkhaz issue. Security Council resolutions 1839 (2008) and 1866 (2009) already used an amended title, referring to "the United Nations mission". Moreover, the report of the Secretary-General on the United Nations presence in the region (S/2009/254) proposed the new name of "United Nations stabilization mission". Secondly, with regard to content, some wording in the report currently before the Committee (A/63/684) failed to take account of the latest political realities in the Caucasus. For example, according to that report, one of the Mission's main tasks was to ensure the parties' compliance with the 1994 Moscow Agreement on a Ceasefire and Separation of Forces, whereas in fact the Moscow Agreement was no longer in effect from an international legal standpoint, since Georgia had unilaterally withdrawn from it. New updated parameters for the security regime in the region had been proposed in the Secretary-General's more recent report (S/2009/254). Furthermore, it was fundamentally inaccurate to describe Georgia's aggressive attack against South Ossetia and Russian peacekeepers in August 2008 as "the conflict between the Republic of Georgia and the Russian Federation". He trusted that the Secretariat would take his comments into due account in its preparation of all subsequent documents on the financing of the Mission.

14. His delegation supported all the recommendations contained in the Advisory Committee's report on the financing of the Mission (A/63/746/Add.6), including the recommendation that, pending the submission of a revised budget, the level of the budget for 2009/10 should be maintained at that of the appropriation approved for 2008/09.

The meeting rose at 10.45 a.m.

United Nations A/C.5/63/SR.47

General Assembly
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Fifth Committee

Summary record of the 47th meeting
Held at Headquarters, New York, on Friday, 22 May 2009, at 10 a.m.

Chairman: Mr. Bródi ..... (Hungary)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Ms. McLurg

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Agenda item 120: Improving the financial situation of the United Nations (*continued*)

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09-36915 (E)

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The meeting was called to order at 10.10 a.m.

Agenda item 120: Improving the financial situation of the United Nations (*continued*) (A/63/514/Add.1)

1. **The Chairman**, recalling that the Under-Secretary-General for Management had updated the Committee on the current financial situation of the Organization at its 44th meeting, held on 15 May 2009, said that her statement had been issued as a report of the Secretary-General under the symbol A/63/514/Add.1.

2. **Mr. Yamazaki** (Controller) said that since 7 May 2009, various payments had been received that had not been taken into account in the Under-Secretary-General's statement. They included regular budget payments of $12 million from Brazil and $136 million from the United States of America and peacekeeping payments of $192 million from Japan. In addition, payments had been initiated by Sweden for the capital master plan and by South Africa for peacekeeping operations. Taking all recent payments into account, the following Member States should be added to the list of those that had paid their contributions in full: Guatemala, Indonesia, Kuwait, Nigeria and Thailand for the regular budget; Australia and South Africa for peacekeeping operations; Indonesia, Norway and Sweden for the capital master plan; and Belarus, Guatemala, Lao People's Democratic Republic, Montenegro, Nigeria and Portugal for the international tribunals. Accordingly, Australia, South Africa and Sweden had joined the 16 Member States (A/63/514/Add.1, para. 29) that had paid in full all their due and payable assessments.

3. **Mr. Abdelmannan** (Sudan), speaking on behalf of the Group of 77 and China, said that payment of assessed contributions in full and on time was an obligation under the Charter of the United Nations. The Group rejected unilateral coercive measures that created obstacles to the payment by its members of their contributions to the Organization's budget. He noted that the Organization could be at risk of a cash shortage in its regular budget in the near future, mainly on account of the large outstanding contribution due from one Member State; that was a systemic problem which needed to be resolved once and for all. With regard to contributions for peacekeeping operations, the Group was concerned that two thirds of the $2.9 billion outstanding at the end of 2008 was owed by two Member States, Japan and the United States, and urged all States that had not yet done so to settle their peacekeeping arrears. The Group also noted with concern that some $1 billion was owed to troop-contributing countries, mainly because of a lack of cash surplus in many missions and the slow rate of reimbursement by the Secretariat. Any cash surpluses in active missions should either be used for outstanding liabilities or be returned to individual Member States; they should not serve for the purposes of cross-borrowing among peacekeeping operations. The members of the Group of 77 and China remained committed to efforts to enhance the effectiveness and efficiency of the United Nations and to meeting their financial obligations to the Organization in full, on time and without conditions.

4. **Ms. Krahulcová** (Czech Republic), speaking on behalf of the European Union; the candidate countries Croatia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Albania and Serbia; and, in addition, Armenia and Ukraine, stressed that it was the responsibility of each individual Member State to pay its assessed contributions in full, on time and without conditions and that the world financial crisis had made it more important than ever for the Organization to use its resources efficiently.

5. Although 146 Member States had paid their regular budget assessments in full by the end of 2008, the European Union noted with concern that outstanding assessed contributions from previous years had amounted to $417 million as at 7 May 2009 and that unpaid peacekeeping assessments at the end of 2008 had totalled $2,884 million, which represented an increase over the previous year's amount. The European Union considered that funds remaining in the accounts of closed peacekeeping operations should be returned to Member States and not retained by the Organization; the financing of active missions from such funds to make up for unpaid assessed contributions to those missions was not sustainable.

6. The European Union noted that the International Criminal Tribunal for Rwanda and the International Tribunal for the Former Yugoslavia might face difficulties in the final phase of their work, owing to unpaid contributions of $158 million, and that only 84 Member States had paid their assessments for the capital master plan in full, as compared to 90 the previous year. All Member States should make their payments so as ensure timely implementation of the plan. The European Union, for its part, contributed nearly 40 per cent of the United Nations budget and

would continue to promote cost-effective and transparent management of resources.

7. **Mr. Ballantyne** (New Zealand), speaking also on behalf of Australia and Canada, said that it was unacceptable that a number of Member States regularly failed to meet their financial obligations towards the Organization and a matter of concern to see once again a negative trend emerging in that respect in 2009. While acknowledging the difficulties besetting some Governments, she called on Member States to break the cycle of under- and non-payment, which not only jeopardized the fulfilment of the Organization's mandates, but also penalized paid-up Member States, as well as troop-contributing countries, which were left waiting for the reimbursement of their costs. At a time when the United Nations was called on to do more, and when the regular budget and peacekeeping costs had reached record levels, ways had to be found of ensuring that the Organization's programme of work was organized and implemented as effectively and efficiently as possible.

8. **Mr. Ruiz Massieu** (Mexico), speaking on behalf of the Rio Group, said that the good financial health of the Organization was essential for the fulfilment of its mandates and that Member States must therefore pay their assessed contributions on time. The Rio Group was concerned about the recent negative trend in the payment situation, notwithstanding the relative overall improvement between 2007 and 2008. Likewise, the slightly higher rate of reimbursement of the amount owed for troops and contingent-owned equipment for 2008 remained unsatisfactory, since there were still outstanding debts to several countries in the Group, largely because not all Member States had kept fully current with peacekeeping assessments. The upward shift in projected new obligations for 2009 was a cause of particular concern. The Rio Group therefore urged those Member States that had not yet paid their assessed contributions in full to do so and thereby enable the Organization to reimburse troop- and equipment-contributing countries and discharge its essential function of peacekeeping.

9. While those countries that had met their financial obligations in full were to be commended, it was also important to acknowledge the efforts being made by developing countries to pay their contributions despite difficult circumstances. The current financial crisis made it hard for the countries of the Rio Group, in particular, to pay their assessments in full and on time. However, it must be stressed that the bulk of the debt continued to be owed by a few developed countries, to the huge detriment of the Organization's financial health. Every facility should be provided to enable Member States to pay their contributions in full and on time. The Group rejected any unilateral measure not in compliance with international law that hindered or prevented members of the Group from paying their contributions to the Organization's budget. He expressed the Rio Group's continuing support for the timely implementation of the capital master plan and reminded the Secretariat of the importance of ensuring that the information provided to the media concerning the status of Member States' payments was as up to date as possible.

10. **Mr. Loy** Hui Chien (Singapore) said that the amounts owed by Member States for both the regular budget and peacekeeping operations were unacceptably large. His delegation also noted the growing number of countries not fully meeting their financial obligations to the Organization. Some Member States had genuine difficulties in paying their assessed contributions, but they did not finance a large proportion of the budget. The reason for the financial difficulties of the United Nations was late payment and non-payment by major contributors. However, the Organization also needed to manage its resources well, in particular by improving efficiency, recruiting and retaining qualified and dedicated staff and developing a stronger results-oriented culture. It must instil transparency and accountability as a matter of priority. In conclusion, his delegation urged Member States to pay their assessed contributions in full, on time and without conditions. Those Members that withheld payment undermined the commitment they had assumed in joining the United Nations and hobbled the Organization's effectiveness.

11. **Ms. Núñez Mordoche** (Cuba) said that despite a slight improvement in 2008, the financial situation of the United Nations remained largely unchanged. The Member State which benefited most from the distorted scale of assessments continued to be the Organization's largest debtor. Cuba, on the other hand, had paid all of its capital master plan assessments and half of its regular budget assessments, and had also made significant contributions to peacekeeping operations. It had done so despite the economic embargo imposed by the United States, which prevented Cuba from using United States dollars for international transactions and forced it to pay its contributions through a third country.

12. Cuba was concerned by the sharp increase in the proposed peacekeeping budgets for 2009/10, which were estimated at $8.2 billion in total. Although peacekeeping operations were essential, the funds allocated for economic and social development were not in line with those allocated for peacekeeping, threatening the achievement of various development goals. A de facto militarization of the Organization's work was evident, and the regular budget reflected that imbalance among the Organization's areas of activity.

13. She reaffirmed her country's readiness to meet its financial obligations in full, on time and without conditions and called on other Member States to do likewise.

14. **Mr. Mukai** (Japan) said that his Government had always fulfilled its financial obligations to the Organization and would make every effort to do so in the future. His delegation was pleased that 146 Member States had paid their regular budget assessments by the end of 2008 and that cash resources available at 30 April 2009 were $791 million, compared to $19 million at the end of 2008.

15. His delegation was concerned by the continued expansion of the regular budget, which had made it difficult for Member States to pay their assessments. In preparing the proposed programme budget for the biennium 2010-2011, the Secretary-General should give Member States a comprehensive and prioritized picture of the Organization's anticipated needs and make every effort to absorb additional costs through efficiency gains. He should submit an affordable budget based on the budget outline to which Member States had agreed in December 2008.

16. The total budget for peacekeeping operations, which currently stood at $8.2 billion, was a tremendous burden for Member States. As the Committee explored ways to make peacekeeping operations more cost-efficient, the Secretary-General should make every effort to develop more realistic budget proposals. The remaining balances of closed peacekeeping operations should be returned to Member States in accordance with the Financial Regulations and Rules of the United Nations. In that connection, his delegation wished to explore why cross-borrowing from the accounts of closed operations had been required in 2008 to fund seven active operations.

17. A number of Member States, including Japan, that had opted for multi-year assessments to fund the capital master plan had nonetheless made advance payments because they believed that a strong cash balance, which stood at slightly over $1 billion as at 7 May 2009, combined with the efforts of the Secretary-General to absorb associated costs, would result in smoother implementation of the project.

18. While it was imperative for Member States to pay their assessed contributions, it was also necessary, in view of the current financial and economic crisis, for the Secretariat to prepare austerity budget proposals and to control expenditure. The Secretary-General should fully implement the recommendations of the United Nations Board of Auditors so that he could develop budgets based on the resources actually available to the Organization.

19. **Mr. Shcherbak** (Russian Federation) said that although the financial situation of the Organization had improved somewhat in 2008, the total amount of unpaid assessed contributions for peacekeeping operations had been greater than in 2007. The failure of Member States to meet their financial obligations came at a time of increased spending on peacekeeping operations and could have a negative impact on the Organization's work. To prevent that from happening, Member States should meet their financial obligations on time and in full, particularly in respect of peacekeeping operations. The Secretariat, for its part, should continue its efforts to streamline financial planning and control staffing requirements.

20. **Ms. Yu** Hong (China) said that only a sound financial position would enable the United Nations to strengthen its role in international affairs. Her delegation was therefore pleased that, despite the current financial crisis, most Member States had paid their contributions in full and on time in 2008, with a small group of Member States accounting for the bulk of the arrears.

21. The rapid increase in the Organization's expenditures in recent years placed a considerable burden on Member States and on developing countries in particular. Therefore, the regular budget should reflect Member States' capacity to pay and the Secretariat should strengthen budgetary management, enforce financial discipline and make effective use of every penny of Member States' contributions.

22. Despite having suffered several natural disasters in 2008, including the devastating earthquake in Sichuan Province, China had paid in full its assessed contributions for the regular budget and for peacekeeping operations, as

well as its assessments for the international tribunals and the capital master plan. For 2009, it had already paid in full its assessed contributions for the capital master plan and the international tribunals and more than half of its assessed contribution to the regular budget.

23. **Mr. Brant** (Brazil) said that although the report of the Secretary-General contained updated projections based on information as of 7 May 2009, senior United Nations management officials should have provided the media with the most up-to-date information available at their press conference of 21 May 2009, including information on payments that had been made by several countries after 7 May 2009, including his own.

24. **Ms. Norman** (United States of America), speaking in exercise of the right of reply, said that her Government took its international responsibilities seriously. Earlier in 2009, it had announced measures aimed at increasing contact between United States nationals and their relatives in Cuba. It had also authorized United States businesses to negotiate agreements designed to facilitate various endeavours in order to increase contacts between the Cuban people and the outside world and to promote freedom of expression and conscience.

25. As noted earlier by the Controller, her country had recently made a payment of $136 million, thus completing the payment of its assessed contribution to the regular budget for 2008. With that payment, her country's combined contributions to the United Nations regular budget and to peacekeeping operations totalled $1.24 billion. It was also up to date with recent peacekeeping assessments and would soon pay all arrears related to peacekeeping operations incurred after 2000 and the outstanding assessments for 2006 and 2007.

26. **Mr. Cumberbatch** (Cuba), speaking in exercise of the right of reply, said that the measures to which the representative of the United States had referred had no meaningful impact on the embargo imposed by the United States against Cuba. Granting Cuban-Americans the right to visit their relatives in Cuba merely rectified a serious mistake that had been committed by the previous Administration of the United States. The unilateral and illegal embargo, which had begun in 1962, remained in place and not a single measure had been taken to end it.

27. **Mr. Jølle** (Norway) said that his country had also recently made a payment of $19 million for the regular budget.

The meeting rose at 11.15 a.m.